The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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Formerly Millard's Review

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WASHINGTON OFFICE
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THE WAYS OF STUDENTS---CHINESE AND AMERICAN

THE recent telegrams from the United States concerning demonstrations by American college students bring out the sharp difference that apparently exists in the motives which induce American and Chinese students to deviate from the routine of their studies. Without wishing to stress the point unduly it would appear that when Chinese students go on a rampage it is because they are dissatisfied with some policy that the Chinese government, either national or local, is following, but in America it is usually either sport or "girls" that furnishes the motivation. Thus we find in a telegram from Cambridge, Massachusetts, April 22, that the undergraduates engaged in a riot which had its inception in pranks committed in the dormitories of the girl students of Radcliffe College and that the riot was of such intensity that the police used tear gas bombs to quell it. Eight undergraduates were expelled as a result of the incident. In another American college several weeks previously a demonstration arose out of an article concerning football in the college paper. Another report from a middle-western university told of a fight between the engineering and law students involving the kidnapping of one of the women students and ending up in the shooting of three or four students. The demonstrations in which Chinese students have engaged in recent years have had a much more lofty purpose. It will be recalled that whenever there has been some vital problem to the fore in China the Chinese students throughout the country have with one accord hurled themselves into the fray. The students have not always been wise and sometimes have been far from discreet, but the fact remains that the Chinese students have been a vital force in leading the thought of the nation and in stirring up the country to this or that line of action. Every time that some great crisis has developed in this country the Chinese students have studied the problem and have formulated a policy. It is probably not too much to say that had it not been for the vitalizing effect of the Chinese student class during the previous year or two the heroic defense of Shanghai by the Nineteenth Route Army against the Japanese would never have taken place. Instead of that the century-old inferiority complex of the Chinese would have been the deciding factor and the

...

vaunted invincibility of the Japanese armed forces (in Chinese eyes) would never have been exposed for what it is. When one surveys the United States one sees no counterpart whatever of the Chinese student movement. America today is confronted with a situation just as vital to the future welfare of the country as China has been confronted with during the past several years. With something like eight million workers of the United States without employment, and with majority of these and their families having to subsist on some form of charity, a situation has arisen which the students of the United States could do a great deal towards helping to solve if they had the same national spirit and the same genius for organization that the Chinese students have shown. The need for such action by American students is all the more evident as apparently the great mass of Americans are as "ignorant" of the causes for the present hard times in the United States as the Chinese masses are concerning the evils that best this country—at least that is the opinion arrived at by a Shanghai-born American youth who is at present making his living in the United States and who has written a letter to friends in Shanghai on the subject.

LOCATION OF U. S. CONSULATE IN SHANGHAI SHOULD BE MOVED

FOR many years the American Consulate-General was located on Whangpoo road in the Hongkew section, the building fronting on the Whangpoo river. When the property was purchased about twenty years ago it was considered a most desirable location for the American official building because the property was on the bank of the river, was almost across the street from the then leading Astor House hotel and also was in the same block with the German, Russian and Japanese consular buildings and only about a block from the British consulate. A further argument offered was the then nearness of the property to the down-town business section and the fact that a considerable portion of the American population resided in Hongkew or in the down-town section of the International Settlement.

But many things have happened in the two decades which have passed since this location was selected. Even twelve years ago when the late Stephen G. Porter, Chairman of the House Foreign Relations Committee, was in Shanghai he favored the Whangpoo road location and proposed the erection of a new building to house all American official organs on this site. After he returned to Washington, he caused the introduction of a measure to provide the money and after many years the bill was passed and in due course plans were drafted for the erection of the building. But something has always intervened to delay the matter and now because of the retrenchment policy the erection of a new government building again has been postponed into the indefinite future.

In the meantime in order to prepare for the erection of a new building and, incidentally, to prevent the consular staff from being buried in the wreckage of the old building which was about to collapse, the State Department leased other property and caused the old building at No. 20 Whangpoo road to be torn down. Therefore as the situation stands today the U. S. Government has a valuable piece of vacant waterfront property on its hands, well suited for a factory or warehouse, but now entirely unsuited as a site for the government building. Also, the State Department is paying high rental on other property located at 248-250 Kiangsi road where the present consular offices are located. That the situation is highly unsatisfactory goes without saying, hence the best way out of the predicament would be for the State Department to sell the vacant property on Whangpoo road and purchase new property which would be more centrally located as things go in Shanghai today.

Of further interest in this connection are recent developments which have practically turned the Hongkew section of the International Settlement into a private Japanese concession. It is no secret that recent Japanese military activities and continued control of Hongkew have made that section of Shanghai the least desirable of all sections of Shanghai from the standpoint of private or official residence. Property values have slumped and a majority of the retail establishments are closed and are likely to remain closed indefinitely. During the course of the recent Sino-Japanese complications, the section in the vicinity of the American consular property was unsafe and the German consular staff was forced to remove to the section south of Soochow creek. Many of the guests moved out of the Astor House hotel, which hostelry, incidentally has slumped into a second rate establishment due to the construction of newer and more modern hotels south of the creek. Even today many Chinese refuse to cross over into the Hongkew area. Regardless of what happens to the future of Hongkew the area is rapidly being converted into a factory and warehouse district, due to the development of a new retail and commercial center south of the creek and the inevitable tendency of the business district to "move west." Also, and of greater importance from the American standpoint, practically all Americans have moved out of Hongkew into the western district and the French concession. It therefore seems to be more or less conclusive that the old site on Whangpoo road is no longer desirable as a location for the new American governmental building. The property should be sold and the money turned back to the U. S. Treasury and steps should be taken to find a new site more in keeping with the modern development of the city.

RETIREMENT OF ALFRED SZE MINISTER TO BRITAIN

THERE will be general regret among both foreigners and Chinese at the retirement because of ill-health of Dr. Alfred Sao-ke Sze, Chinese Minister to Great British. Although much has happened since last September it was largely due to Dr. Sze's efforts that the League of Nations was interested in the Manchuria situation last fall and it was directly due to Dr. Sze's hard work in that connection that he suffered a nervous breakdown and had to go to a hospital for medical treatment. A note printed in *The Review* sometime ago told of the seriousness of Dr. Sze's ill-

ness and it was suggested at the time that he might have to retire from the office of Minister to Great Britain. A dispatch from Nanking on April 21 told of the Government's acceptance of his resignation and the appointment of Mr. Quo Tai-chi as his successor. Dr. Sze was born at Chentseh, Kiangsu province in 1877 and after attending St. John's University went to America where he attended Central High School, Washington, D. C., Cornell University, University of Toronto, Syracuse University, Lafayette College and finally Columbia University. He then returned to China and passed the Imperial Examinations in 1906 following which he held numerous provincial positions in Hupeh and Hunan provinces under Viceroys Tuan Fang and Chang Chih Tung. He then held various posts in the Board of Communications and Customs and in 1912 was Minister of Posts and Acting Minister of Finance in the first Republican Cabinet. In 1914 Dr. Sze began his diplomatic career as Minister to Great Britain, which post he held until 1921. He was a member of China's delegation to the Paris Peace Conference and from 1921 to 1929 was Minister to the United States. While in Washington he served as chief delegate from China to the Conference on Limitation of Armament and Pacific Questions. In 1924-1925 he served as chief delegate to the 1st and 2nd International Conferences on Opium Supression. In 1929 Dr. Sze was transferred to Britain to serve again as Minister and while there assisted materially in inducing the British Government to agree to the remission of the Boxer Indemnity. He was appointed chairman of the Sino-British Purchasing Commission in December, 1930. He has received numerous decorations from his own and foreign governments, has served as a trustee of the China Foundation and has written numerous books dealing chiefly with diplomatic questions and the problem of opium suppression.

SOVIETS CONTINUE TO KEEP JAPANESE "ON EDGE"

INCREASING tension between the Soviets and the Japanese is registered almost daily by telegrams from various sources. However, there is no immediate prospect of an outbreak of hostilities despite many aggravating incidents. There are so far no indications that Japan intends to invade Russian territory, nor is there any likelihood that the Soviet will bring troops into Manchuria despite the fact that the Japanese forces are daily interfering with the administration of the Chinese Eastern Railway. In fact, as a result of the raids made on the C. E. R. by the irregular Chinese forces and also the damage caused by the Japanese, the railway itself and the equipment is gradually being destroyed. It will be remembered that the Soviets withdrew a large quantity of locomotives and railway cars to Soviet territory about a month ago. Under existing circumstances the operation of the Chinese Eastern railway results in heavy losses.

For the moment it is probable that the Soviets will continue the same policy as they have followed for some time past, namely to make certain military preparations along the Soviet-Manchurian frontier, and thus keep the Japanese army, which has its hands already fairly well occupied with the suppression of the so-called bandits, in considerable turmoil. The Soviet strength for the moment lies more in propaganda than in actual military prowess. An example of the Soviet methods was seen in a statement made to League members at Geneva by a Soviet spokesman April 20 that the Soviets had 400,000 soldiers in Siberia, had constructed 400 bombing planes and that the Soviet attitude towards Japan is very firm. Naturally such a statement is calculated to keep the Japanese "on edge," even though it is probably not true. The Soviets' plan of campaign seems to be based on the idea that if it can by agitation induce the Japanese military machine to keep on expanding and by propaganda to instigate the Japanese people at home to oppose these military adventures any plans that the Japanese may have to attack Siberia will fall to the ground of their own accord. However, the Soviets in the meantime are observing the precaution of keeping their powder dry.

A *United Press* telegram from Moscow April 25 stated that all Communists of military age are being prepared for active defence of the Soviet Union, millions of them undergoing physical and other tests to determine their fitness for some form of military or auxiliary service. Registration of the Communists is being made throughout the Soviet Union according to the result of these tests.

Almost daily incidents are occurring in Manchuria and on the Siberian-Manchurian border which exacerbate the relations between the Soviets and Japan. Probably the most outstanding of these incidents was when the Soviets at Vladivostock arrested a hundred or more Japanese residents and merchants in Vladivostock during the week as a counterblast against alleged "high handed" treatment meted out to Soviet employees of the Chinese Eastern Railway by the Japanese troops in Manchuria.

Emphasising that there will never be peace in the Far East without friendly relations between Russia and Japan the Japanese War Office recently made a statement to the Press categorically denying Soviet accusations of Japanese military aggression in Manchuria and Japanese instigation of White Russians in that territory. The accusation that the Japanese army and White Russians are in collusion is characterised as a gross slander. The War Office asserted that the Japanese army has never employed nor assisted White Russians. The statement declared that the Japanese military authorities are exerting their utmost efforts to restore peace and order in Manchuria and Mongolia but have absolutely no intention of violating Soviet rights or territory.

The Tokyo *Hochi* advises the Japanese Government to pay special attention to the position of Russia in North Manchuria in framing its policy towards Manchuria. Notwithstanding professions of cordial relations between the two countries, repeatedly made by the authorities of the two Governments, says the Tokyo journal, unpalatable rumors come on top of one another in regard to the situation in North Manchuria.

The White Russians still continue to be a bone of contention between the Soviets and the Japanese, mostly in connection with the affairs of the Chinese Eastern Railway. The Soviets, for example complain that the Harbin Police took no steps towards keeping order when a crowd of

White Russians who had been dismissed from the employ of the railway besieged the offices of the company. M. Slavutsky, the Soviet Consul General at Harbin, has taken the attitude that the incident shows the connection between the White Guards and the Japanese-supported Chinese police. The Soviets also complain that the Chinese police have been refusing visas to Soviet citizens who wished to return to Russia.

Comrade Loskovski, head of the Russian Trade Unions, after presiding at the Red Trade Union Congress, declared that a war in the Far East had become inevitable, adding that upon the International Trade Unions devolved the task of protecting Soviet Russia from an imminent attack.

The London *Morning Post*, the organ of the "standpatters" of Great Britain, in its issue of April 26 gave prominence to an article stating that the fortifications at Vladivostock are being strengthened under the direction of German engineers and officers, that submarines, probably 15 or 20, have been brought in parts from the Black Sea and assembled in Vladivostock waters, and that an auxiliary air base has been created in Posiet Bay.

LEAGUE COMMISSION OF ENQUIRY ARRIVES AT MUKDEN

AS briefly reported last week, the members of the League of Nations Enquiry Commission proceeded to Mukden from Chingwantao in two groups. Both groups arrived safely at Mukden on the evening of April 21 and took up quarters at the Yamato Hotel. The telegrams from the North mostly have as their motivation the future movements of Dr. Wellington Koo. The Manchukuo government has so far persisted in its previous attitude that it will arrest him if he leaves the South Manchuria railway zone. The Japanese Government is stated to have requested the Manchukuo government to be more lenient in its attitude, but the sincerity of such a request is doubtful, as the present puppet government could not exist for an hour without following the Japanese lead. At any rate the attitude of Manchukuo has not been changed and as a hint that it is in earnest the Manchukuo government on the night of April 24 arrested Mr. Tsai Kun-chen, member of the suite of Dr. Koo, while he with several others who were also taken into custody, were assembling outside the Siaosipien gate of the Mukden walled city. A *United Press* telegram April 25 stated that up to that time Dr. Koo had remained in the Yamato hotel at Mukden without accompanying the commissioners in their inspection of the city and vicinity. The earlier telegrams mentioned that owing to the League Commission's failure formally to notify their visit, the Manchukuo authorities had decided to treat the Commissioners as ordinary travellers and refused to assume any responsibility for any untoward event if they should travel to the more remote corners of Manchuria. Later when the League Commission of Inquiry formally notified the Manchukuo authorities of its entry into Manchuria, much significance was attached to the act as it may have a bearing on the question of recognizing the new Manchurian Government.

Rengo says the Commission Members are holding daily conferences in Lord Lytton's room at the Yamato Hotel in order to speed up the drafting of the report to be forwarded to the League by May 1 in accordance with the decision of the League on September 30 last year.

In the meantime the Yamato Hotel, which is the headquarters of the Commission in Mukden, is thronged with Japanese detectives and police. Chinese seeking to gain access to the hotel are kept under close surveillance. All the streets are lined with Japanese police, some of them in Chinese uniforms.

Lord Lytton and General Claudel, accompanied by the Chief Secretary of the League Commission, formally visited Lieutenant-General Honjo, Commander-in-Chief of the Kuantung Army April 24. During an interview which lasted two hours Lord Lytton put various questions to General Honjo on present military conditions in Manchuria.

A headline in *The China Press* put the situation as regards the future movements of the Commission very neatly. It read, "Policy of Puppets Puts Probers Somewhat Up in the Air."

A *Reuter* special correspondent gave his opinion that the eventual result of the Koo controversy will probably be one of the following alternatives:

(1) All the members of the Commission to proceed northward, Dr. Koo remaining in the closest proximity to Lord Lytton.

(2) The Commission to proceed alone, leaving both assessors in Mukden.

(3) Some members of the Commission proceeding, leaving the others with the assessors in Mukden.

(4) The Commission capitulate to the policy of obstruction and abandon its program.

The Italian member of the League Commission, Count Mare-Scotti, has intimated that Dr. Wellington Koo, the Chinese assessor, will accompany the Commission to Tsitsihar under the protection of Lord Lytton.

JAPAN MAINTAINS HER DEFIANT ATTITUDE AT GENEVA

THE War party in Japan has enunicated many a bold statement during the past half year, but nothing so outspoken, not to say impudent, has been put forth as the statement made by General Araki, the Japanese Minister of War, who in a speech made at a meeting in Osaka April 22 organized by the Kokuhonsho Nationalist movement, "warned" both the League of Nations and Moscow to keep their hands off Manchuria. General Araki declared furthermore that Japan would resolutely resist any attempt to apply the Nine-Power treaty to the situation there. He asserted that Japan's mission is to make Manchuria "a paradise on earth" and a safe place for every one, adding that nothing the League of Nations or the Soviets or any one else could do would make Japan deviate from her course. He stressed what he described as the "threatening position" in North Manchuria which, he said, was due to the Soviet massing troops along the frontier and to the strengthening of their air forces in the Far East. "Japan cannot allow Manchuria

and Mongolia to become a troubled area again," he continued. "We need not pay attention to what the League of Nations may say, what the Soviets may attempt, or what China may plot, he said, and "if the League attempts to interfere, it should be asked if it wishes to disturb world peace."

The above version of General Araki's speech is based on *Reuter* and *United Press* telegrams. The Japanese *Rengo* service reported the gist of General Araki's speech as follows:

> "The incidents in Manchuria and Shanghai have now come to an end, but increased efforts must be made to prevent Manchuria from falling into a state of confusion in any circumstances. If there is anyone who attempts to create disturbances in Manchuria, we must prevent him fearlessly. Even if the League of Nations and Soviet Russia may utter what is harmful to peace and order in Manchuria, we need not listen to them. The country which is making such a clamor about the Nine-Power Treaty is not worthy of notice. If we fail to solve matters by peaceful discussion, another measure will have to be taken.
>
> "Turning our attention to North Manchuria, Soviet Russia has concentrated four divisions in the Far East and is strengthening her air forces. The true intention of Soviet Russia in gathering troops on the Sino-Russian border is not clear, but we must keep a close watch on developments of the situation.
>
> "Thus, in reviewing the situation we find that the country is now confronting many difficulties. To cope with this situation, the whole nation should make a united effort for the realization of Oriental culture in co-operation with the newly established State whose object is to maintain permanent peace and order in Manchuria."

It was announced at Geneva April 21 that the deadlock between Japan and the rest of the League Council regarding the Shanghai situation continued. The Japanese delegates' instructions from Tokyo confirmed Japan's opposition to the draft resolution of the League Committee. According to *Reuter* the Japanese have been endeavoring to secure the substitution of a formula less hurtful to Japanese dignity, which at the same time will avoid for the Japanese Government a delicate constitutional difficulty. The main stumbling block has been the League's empowering the Shanghai Mixed Commission to decide, with or without Japan's concurrence, when the time will be opportune for the withdrawal of Japanese troops. By an ancient tradition the Japanese Government is not competent to order or assent to a major military strategy like evacuation.. That prerogative devolves around the Emperor who would be placed in a humiliating position in the event of the mixed commission deciding against the opinion of the Emperor's representatives, that Japanese troops must withdraw by a given time.

Reports from Geneva and Tokyo during the week made it evident that Japan is very seriously considering the question of withdrawing from the League. The smaller nations of the League are becoming more and more insistent that instant and firm action should be taken regarding the situation at Shanghai. The Japanese delegate at Geneva, Mr. Nagaoka, has generally followed a policy of delay, pleading that he had not yet received his instructions from Tokyo. The Japanese delegates also claim that owing to a misunderstanding they were unaware of the terms of one of the clauses of the Committee's resolution. In the meantime the Chinese delegates have been urging Mr. Hymans, chairman of the Committee, to hasten the calling of a meeting. The Committee of Nineteen held a meeting in the strictest secrecy April 26.

In case there is much further delay members of the Committee, representing the smaller nations, intend to press for a meeting of the Assembly to take action under Clauses 4 and 10 of Art. XIV. of the League Covenenat, which read as follows:

> Clause 4.—If the dispute is not thus settled, the Council either unanimously or by a majority vote shall make and publish a report containing a statement of the facts of the dispute and the recommendations which are deemed just and proper in regard thereto.
>
> Clause 4.—In any case referred to the Assembly, all the provisions of this Article and of Article 12 relating to the action and powers of the Council shall apply to the action and powers of the Assembly, provided that a report made by the Assembly, if concurred in by the Representative of those Members of the League represented on the Council and of a majority of the other members of the League, exclusive in each case of the Representatives of the parties to the dispute, shall have the same force as a report by the Council concurred in by all the members thereof other than the Representatives of one or more of the parties to the dispute.

So far there is no definite news as to the resumption of peace negotiations at Shanghai. Mr. Lo Wen-kan, Minister of Foreign Affairs, in the course of an interview at Nanking stated that the negotiations would not be resumed until a definite ruling has been adopted by the Committee of 19 of the League Assembly. He also intimated that while the National Government would be prepared to make any reasonable concession in the interest of peace, it would nevertheless continue to insist upon the following two points as her minimum demands, namely, (1) no political conditions whatsover must be attached to the withdrawal of Japanese troops, and (2) the time for the complete withdrawal of Japanese troops as well as the place where the Japanese troops are to remain pending such withdrawal must not depend upon the "subjective" judgment of the Japanese. Minister Lo incidentally stated that Mr. Quo Tai-chi, Vice-Minister of Foreign Affairs, would be retained as Chief delegate at the Conference in the event of its being resumed.

Japanese Chamber of Commerce Wants Friendly Relations with China

The Shanghai Japanese Chamber of Commerce held a meeting at the Japanese Club April 20. Masaharu Yoshida, who took the chair, in an address said that according to statistics compiled by the Japanese Finance Department, Japan shipped to China last year goods valued at Yen 258,000,000, which was Yen 114,000,000 or 30% less than the year before. During this same period, Japan imported from China goods amounting to Yen 236,000,000 which was Yen 26,000,000 less than 1930. The total volume of Japanese trade with China for 1931 showed a reduction of Yen 140,000,000 or 28%. He said that a preliminary survey made by the Japanese Commercial Counsellor in Shanghai showed that between the summer of last year and April 10 this year, the Japanese firms and banks, as well as factories, suffered losses in business amounting to no less than Yen 40,000,000. When the direct losses are included, as well as those sustained by the smaller shops and merchants, the figure probably will rise to Yen 50,000,000 for Japanese alone. Chairman Yoshida concluded his remarks by saying, "We Japanese here all sincerely desire to establish a lasting peace in the Far East, and believe that a friendly intercourse with the Chinese people is essential for that purpose. It is the people of China that we must deal with. Accordingly, our responsibilities for the future are heavy."

FINAL CHAPTER IN STORY OF THREE HEROES AND MAJ. KUGA

IN *The Review* of April 16 there appeared an apparently correct account of what actually happened in the cases of the "Three Japanese Heroes," and Capt. Kuga, two incidents during the recent Sino-Japanese hostilities which were circulated throughout Japan in highly exaggerated fasion by the military authorities for the purpose of stirring up the Japanese people on the China war issue. As shown in the report, which was based on the official account of the incident which was made by Japanese military officers at Shanghai, the three Japanese privates were killed in much more prosaic fashion than the military propagandists made out in the highly lurid report which was circulated in Japan. According to the propagandist report the three privates loaded themselves with dynamite bombs, walked into the Chinese barbed-wire barricades and deliberately blew themselves up in order to open a way for an infantry charge. What really happened was that the three men where carrying a bomb composed of a steel pipe loaded with explosive toward the Chinese lines when one of the men was shot. The others stumbled over the man who was shot and the delay caused the fuse to burn out and explode the charge before they had a chance to get back to their own lines. Now we have still further evidence that our explanation was the correct one, the explanation being in the form of a picture in the *Japan Times* (Tokyo) for March 13. The picture was taken in the museum which the Japanese Army has established in Tokyo for the purpose of exhibiting war relics from the Shanghai front. The picture shows an army officer examining the uniforms which were worn by the three Japanese privates at the time of their death. The officer is holding up one of the uniforms and is examining it and the picture shows quite clearly that the coat of the uniform is entirely intact, even the buttons still being in place. The other uniforms have a similar appearance, the caps being in good condition and none of the clothing appearing torn or bedraggled such as one might expect had the three privates been "blown up" as the original report stated. As a matter of fact the original report alleged that the bodies of the three privates were completely blown to pieces.

Major Kuga, Japanese army officer who was taken prisoner by the Chinese troops in the fighting near Kiangwanchen. This picture was taken by a foreigner behind the Chinese lines and shows the Major wearing a Chinese military coat and with a rope around his neck showing he was bound up in the customary Chinese method. The picture also shows that Major Kuga was not wounded in the head as alleged by the Japanese military propagandists. After his release, Major Kuga went out to the spot where he was captured and blew his brains out.

We then turn to the case of Major Kuga, the Japanese officer who was taken prisoner by the Chinese forces. The original Japanese report alleged that the Major was wounded in the head while leading an infantry charge. Thinking their commander dead the Japanese soldiers hastily buried him and then retreated before a superior force of Chinese who recaptured the position. This was the original report of the propagandist attached to the Japanese military headquarters and nothing was said about some thirty Japanese soldiers who were taken prisoners by the Chinese forces at the same time. Later after Major Kuga's release, after being held prisoner by the Chinese at Nanking, he went out to the spot where he had been taken prisoner and blew his brains out, allegedly due to the disgrace of having been captured by the Chinese. At the time of the circulation of the original report, *The Review* expressed doubt about the story of the Major's "burial" by his comrades and the later exhumation of the body by the Chinese. Fortunately, we also have a picture which is reproduced herewith. It was taken by a foreigner behind the Chinese lines and gives no evidence of a serious head wound, such as the Japanese propagandist claimed their Major had experienced. It does show him with a rope around his neck in the customary Chinese fashion of binding prisoners. As stated in our original report, we have no desire to detract from the bravery of the three "human bombs" or of Major Kuga, all of whom were brave men and not needing the embellishment which accompanied the original and highly exaggerated accounts which were circulated with the object of further inflaming the Japanese people on the War issue.

Hangchow Superintendent of Customs Commits Suicide

Chao Wen-jui, Superintendent of Customs at Hangchow, committed suicide April 24. Despite medical assistance, death occcurred 24 hours after he had swallowed a large dose of opium.

The deceased had been suffering for some time from nerve trouble due to overwork. The first indication of his intention to take his own life was given when he told his attending physician recently that he was "about to seek a happy land." Before he took the fatal step on Saturday morning, he was seen to be acting queerly. Mr. Chao was 43 years of age and a native of Chenhsien, Chekiang. He was educated at Harvard and Columbia, receiving the master's degree at the latter university in 1917. Since his return to China he had been active in educational circles being, at different periods, professor at the Peking National University, Peking College of Law, Chaoyang University, etc. In 1927 he became Superintendent of the Hangchow Customs and concurrently Commissioner of Foreign Affairs for Chekiang. The former post he held up to the time of his death. He was author of "A History of Modern Commerce" and several other literary works dealing with political economy.

JAPAN'S CRITICAL FINANCIAL POSITION

THE desperate state of the finances of the Japanese Government is becoming more evident day by day. A significant event in Japanese financial history was contained in a *Reuter* telegram from Osaka April 25 recording the fact that the Japanese government has been selling enormous quantities of silk at a great loss. The Japanese government's relations to silk during the past few years have been pretty much the same as those of the American Government towards wheat, that is the Japanese Government took over large stocks of silk in the hope of keeping up the price in the same way that the American government took over huge stocks of wheat. The attempts in both instances failed to keep up the price. A good deal of the American wheat has been sold to China—at a loss, of course. Now with huge foreign debts falling due the Japanese Government has been making frantic efforts to prevent defaults. Up until this time the Japanese have been able to keep up the semblance of discharging their old debts by making new loans and paying off the old debts with the proceeds. But at the moment the Japanese Government finds it exceedingly difficult to raise any money, and curiously enough the most explicit details of the weakness of Japanese finances is contained in the French telegraphic service *Havas*. Not being able to raise money otherwise the Japanese Government has among other money raising expedients sanctioned the sale by the Asahi Silk Company, of Kobe, of its stock of raw silk totalling 108,000 bales, of which 81,000 bales are held under the Price Indemnification-Law and the remaining 17,000 bales under the Trader's Joint Holding. Contracts were made between a bankers' syndicate and the Asahi Silk Company, which is understood to represent the Gerli Silk Company, of New York, at a price of about 450 yen per bale. The Asahi Silk Company will be requested for the first year to tender a security of 150 yen per bale, this money to be confiscated in case the market prices declines to below 450 yen per bale. Assignments of the total amount of raw silk to be disposed of are approximately as follows: 40,000 bales to America; 20,000 bales to Europe; 30,000 bales to domestic consumption; and 28,000 bales to other destinations.

The sales thus made are described as the largest in the history of the silk business. The losses due to the Price Indemnification Law and also the Traders' Joint holding, according to *Reuter*, aggregate Yen 103,000,000, these being shared as follows: Yen 35,000,000 by traders; Yen 15,000,000 by bankers; and Yen 53,000,000 by the Japanese Government.

Havas telegrams from Japan and England during the week pointed out that from now until the end of February, 1933, the Japanese Government must disburse £12,197,000, G$42,977,000, and Frs. 17,400,000 (the francs being calculated at a rate of Frs. 2.58 for 1 yen), in amortization of foreign loans and payment of interest. These payments, at the present exchange rates, correspond to approximately 270 million yen. The principal payment, falling due in July, requires disbursement of £7,570,000 (of which £6,000,000 are in reimbursement of a South-Manchurian loan), and G$13,322,000. Japan has been making considerable efforts to raise the necessary money abroad but so far with little success, and as a result the Ministry of Finance is contemplating the emission of a domestic loan the proceeds of which would be used for the purchase of currency either directly on the exchange markets, or through the sale of foreign bills redeemed from Japanese holders. But the successful flotation of such a loan now, in addition to 600 million yen for budgetary needs, is proving extremely difficult, and efforts to secure money abroad (particularly in England) are being redoubled. Particular efforts are being made towards the conversion abroad of at least the £6,000,000 loan of the South Manchuria Railway.

The rumors of the Russo-Japanese tension in Manchuria, as well as the heavy charges imposed on Japan by the upkeep of her expedition in Shanghai and Manchuria, are increasing the unfavorable influence which the delay in the Shanghai peace parleys have been exercising on Japanese securities in London. The result has been a general decline in Japanese securities. Thus the Japanese 4% loan of 1889 declined by 2 points to 54-5; the 1924 6% loan dropped by 1 point, to 77.5 whereas the 1923, 5% South Manchuria Railway lost 3.5 points being now quoted at 65.5. Tokyo 1926 Municipal loan receded to 72 from 73; the 5.5% conversion loan fell by 1 point to 84.5; Tokyo Electric Light Co's 6% obligations went down by 4.5 points to 62.5. However, the 5% South Manchuria Railway bonds, for which a reimbursement was announced by the Tokyo Government, to take place on July 23rd, 1932 improved from 101.25 to 101.50.

On the contrary Chinese securities remained steady, showing a good tendency.

In the meantime another adverse trade balance for Japan was recorded for the second ten days of the present month, the total of the adverse balance so far for the year 1932 having accumulated to Yen 196,705,000. The figures for the second ten days of the month were as follows: Export, Yen 33,833,000; Import, Yen 54,284,000; Total, Yen 88,117,000. Unfavorable trade balance, Yen 20,451,000.

According to the investigation made by the Department of Finance, the actual revenue of the Japanese Government for the fiscal year of 1931 up to February this year was Yen 850,056,000, and the expenditure was Yen 1,081,012,000, showing a deficit of Yen 230,956,000.

Chapei Property Owners Ask $11,397,058 For Fire Losses

Claims for fire losses in Chapei so far aggregating $11,397,058 have been registered with the offices of the War Zone Insurance Compensation Association, a Chinese organization formed on April 1 to aid in the filing and collection of insurance claims in Chapei.

The association held a meeting at the Ningpo Fellow Provincials headquarters, Thibet Road, April 24, when it was announced that 3,464 claims for damages done by fire in Chapei and alleged by the claimants to be covered by policies issued by 249 insurance companies, foreign and Chinese, had been made. The meeting voted to appoint insurance experts to form a special committee to act as appraisers and to further the claims of the property owners. It was also decided to ask aid from the National Government as well as the Municipality of Greater Shanghai in negotiating for the payment of compensation to those whose property was destroyed by fire during the period of hostilities.

JAPANESE GRIP IN MANCHURIA TIGHTENS DAILY

REGARDLESS of the numerous reports of bandit outbreaks and attacks on the Japanese positions by irregular Chinese forces in various parts of Manchuria the fact should not be lost sight of that the Japanese hold on that large region is being tightened every day. A Japanese telegram naively spoke of the appointments of various Japanese to high position in the Manchukuo government as having been made on the "principle of equal opportunity for all nations." Appointments of Japanese made by the Manchukuo government during the week enable the Japanese to dominate the Ministry of Finance, the Ministry of Foreign Affairs, the Ministry of Home Affairs and the Mukden Provincial Police Bureau.

Mr. Tokuzo Komai, formerly chief civilian adviser at General Honjo's headquarters, becomes chief of the general affairs bureau of the Home Ministry.

Mr. Chuichi Ohashi, formerly Consul-General at Harbin, becomes chief of the general affairs bureau of the Foreign Ministry.

Mr. Kikichi Sakatani, at one time an official at the Ministry of Overseas affairs in Tokyo, becomes chief of the general affairs bureau of the Finance Ministry; and Kiyoshi Mitani, who was formerly a major commanding the Japanese gendarmerie at Mukden, becomes chief the police bureau of Fengtien (Liaoning) province.

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No better confirmation of the failure of the Japanese plan to "pacify" Manchuria could be wanted than the statements issued by the Japanese themselves. According to statistics furnished by the Japanese authorities concerned, as contained in a *Rengo* telegram from Mukden April 20, the number of times that bandits have made their appearance during March, this year, in the territories along the South Manchuria Railway line is recorded to be 613, as compared to 32 times during the corresponding month, last year. Of the above number Penchihu district ranks at the top with 155 cases, following by Antunshsien with 128 cases and Liaoyangshien 48 cases. The Japanese attribute these bandit raids to incitation by General Chang Hsueh-liang.

The news from Manchuria continues to be a daily succession of reports of disorders and skirmishes in widely separated areas, and one of the results has been that the Korean troops in Manchuria which were scheduled to leave during this week have been ordered to remain. Communication between Harbin and Changchun was broken beginning of the week when anti-Government troops attacked Sanchaho, drove off the government garrison and occupied the town. An international train which was held up by the anti-Government troops returned to Harbin. Later the railway guards were successful in driving off the attackers and restoring telegraphic communication. The railway line, torn up when the town was taken, was later restored. A group of about 1,000 Chinese soldier bandits attacked the walled city of Anta, on the western section of the Chinese Eastern Railway, the same day. They destroyed the Anta prison, freed all prisoners and looted the houses. Twenty-four persons including the governor of Anta district were seized as hostages, and the vice governor was killed. All Japanese residents of Anta took refuge in Harbin. A group of soldier brigands attacked the Japanese garrison at Tungliao early in the morning April 24. After 30 minutes of fighting they were repulsed. A detachment of Japanese troops was sent to reinforce the Tungliao garrison.

As a sequel to the discovery of a large supply of ammunition, two Mauser pistols and four tubes of nitro-glycerine in the residence of a young Russian girl, 52 Soviet citizens, were arrested in Harbin April 22. They included three girls, eleven women and thirty-eight men, and they have all been charged with being members of terrorist organisations. The arrested men include M. Gaidook, the secretary of the General Department of the Chinese Eastern Railway; M. Linsky, the secretary of the Pensions Department; and M. Fainberg, the secretary of the Passport Department.

A young Chinese girl, in her early twenties, is stated to be the leader of a band of 1,000 Volunteers in Kirin. With her headquarters at Huangtaohotze, this modern "Joan or Arc" led her troops against the forces of the puppet Manchukuo at Taoho April 18. A *Kuo Min* message stated that the attack was so sudden and fierce that the enemy had to fall back on Weishaho, in the eastern section of the Chinese Eastern Railway.

The main force of the Murai brigade, which left Harbin April 22 on a "punitive expedition against the lawless elements" (National Salvation Army) who had virtually seized control of the eastern section of the Chinese Eastern railway to the east of Imienpo, has clashed with the "insurgents" at Wukimiho to the west of Imienpo. Reports from Harbin indicated that the Japanese troops were placed in a serious predicament owing to the fact that a raiding party had destroyed the railway track in their rear, thus cutting their main line of retreat.

A strong force of Old Kirin troops descended upon Imienpo April 23 and attacked the Japanese forces there, but were eventually repulsed. The Kirin forces had been reinforced by ten heavy guns. They commenced the attack upon Imienpo at 5.30 a.m. in the morning from the east and northeast, during which several shells fell into the Settlement. Severe fighting went on for three hours, and then the Japanese, supported by an armored train and several armored cars, made a successful counter-attack. The Chinese, after holding on for a while, began to retreat, pursued by the Japanese.

On April 23 the Japanese rushed a detachment of troops to Tungliao from Mukden as a result of a report that the city was menaced by bandits.

The town of Lantsi, on the western section of the Chinese Eastern Railway, 20 miles north of Tientsaokang, was raided and looted April 25 by 400 mounted bandits. A flour mill was set on fire and destroyed. The Japanese were advanc-

ing on Hengtaohotze, on the eastern section of the railway, April 26.

The railway garrison of the Kirin Army rushed to Shihtowchentze April 23 and defeated Chinese irregulars who had captured the city. The Chinese fled to the northwest, leaving 40 dead. Only two Japanese were killed, according to Japanese army sources.

Japanese troops occupied Shihtaohotse on the eastern section of the Chinese Eastern Railway April 25 but further troubles are breaking out all the time. Wireless messages received by Japanese military sources state that a scouting party of Japanese troops sent out from Imienpo by railway trolley found the railway track west of Imienpo demolished for a distance while over a considerable stretch of line all telegraph wires were cut and the telegraph posts were down. In addition they found barricades across the track where it was not torn up.

Trouble was also reported on the same date west of Harbin. Large forces of anti-government troops appeared at Tientsaokang, forty miles west of Harbin on the Chinese Eastern railway, and at Antachan, eighty miles west of Harbin.

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The courage and resourcefulness of General Ma Chan-shan, Chairman of the Heilungiang Provincial Government, who entered 'the lion's den" and penetrated the innermost secrets of Japanese intrigue in Manchuria, were highly praised by leading citizens of Shanghai, in a reply to his telegram explaining his recent conduct in associating himself with the puppet Manchukuo.

A Japanese message says that General Ma Chan-shan, Civil Governor of Heilungkiang Province, owing to indisposition, has decided to recuperate at Taheiho, across the river from Blagovestchensk, and that General Cheng Tze-yuan had been appointed on April 26 to be the Acting Civil Governor during General Ma's absence.

The Shanghai office of the Chinese Eastern railway has figured in the dispute between the old and new regimes in Manchuria. The Manchukuo Government recently appointed Chow Pan to come down here and take over the commercial department of the C. E. R. in Shanghai. The Nanking government thereupon issued a declaration that Chow Pan would be arrested if he attempted to assume the new post.

A recent *Kuo Min* telegram from Peiping outlined the program for a combined offensive on the Japanese invaders in North Manchuria. The Heilungkiang troops under General Ma Chan-shan, Chairman of the Heilungkiang Provincial Government, and General Su Ping-wen, Garrison Commander of Hailar, as well as the Kirin Self-Defence Army under Generals Li Tu and Ting Chao are to participate in the campaign. The Government forces will first undertake to recover the Chinese Eastern Railway. General Ma will be responsible for the recapture of the Harbin-Angangchi section; the Kirin units for the stations east of Harbin; and the units under General Su Ping-wen for the stations west of Angangchi. After this phase of the campaign, the Heilungkiang and Kirin forces are to converge on Harbin and then descend on Changchun, the capital of the puppet Manchukuo. Mobilization of the loyalist troops is stated to have already begun.

Japanese Tighten Grip on Manchukuo Courts

Two Japanese lawyers, representing the Osaka Bar Association, who had gone to Manchukuo recently to negotiate with the authorities of the new State on matters relating to the abolition of Consular jurisdiction and the establishment of a Bar Association in Manchuria, after their return to Japan told the *Tokyo Asahi* that after negotiations with the Director of the Legislative Board and the Minister of Justice of the new Manchurian Government, they had reached an agreement in principle that under the present administration in that territory Consular jurisdiction can be done away with without any resulting inconveniences. It was also agreed that as the prelude to its abolition, reform of the judicial system should be effected. In the enactment of new laws, an agreement has also been reached that the services of Japanese jurists of profound learning and experience should be secured, that officials in the judicial organs should be chosen from among Manchus of high personality and culture, Japanese jurists with certain qualifications, court clerks and attendants should be selected from among Japanese citizens as well, and that legal enactments should be copied after the Japanese legal system with due regard for the peculiar customs and habits of Manchuria.

In the event of the abolition of Consular jurisdiction, said the Osaka barristers, many Japanese jurists, clerks and officials will be engaged by the Manchurian Government. As regards the proposed establishment of a Bar Association, it has been decided that it should consist of Japanese and Manchu barristers. The regulations governing this Association are now being drafted by the Minister of Justice of that Government. The South Manchuria Railway Company is expected to offer a lot of ground in the railway zone at Kirin without compensation as the site for the Association Hall.

Japan's Sad Financial State Described by California Professor

"Japan is financially embarrassed," is the opinion which Professor Ben D. Dorfman, travelling fellow of the University of California who has been in China studying the Manchurian problem from the financial aspect, expressed in an interview in *The China Press* April 22. Japan, he said, is now a net debtor nation and at present it is faced with a great many financial difficulties. It will be somewhat embarrassing for Japan to solve those difficulties and she cannot do so as the present time. Her budget has been unbalanced for quite some time and is even more so now since the Sino-Japanese difficulties began. She is in need of making a heavy remittances abroad, and her trade balance continues to be adverse. Japan's international credit rating is such that she will not be able to borrow from other countries very easily, if at all, Mr. Dorfman declared. The longer the Manchuria affair continues the more embarrassed Japan will become financially, he said. She cannot continue indefinitely with her trade if her international credit standing continues in the direction in which it is now going, the professor declared.

Professor Dorfman has in the meantime departed for Japan, where he is continuing his studies of Far Eastern financial problems. He will later return to America.

New Zealand and African Deputies Discuss Far East with Mr. Stimson

Sir Thomas Wilford and T. E. Water, the representatives of New Zealand and South Africa in the League Assembly, called upon H. L. Stimson, American Secretary of State, at Geneva April 18, when an informal discussion regarding Far Eastern affairs took place. During the previous sessions of the League Assembly, Mr. Water took a very definite line that the League should employ all the means at its command to prevent military aggression, and it is understood that the conference with Mr. Stimson dealt principally with this point of view.

Quo Tai-chi Succeeds Dr. Alfred Sze at London

The resignatian of Dr. Alfred Sze from his post as Minister at the Court of St. James on account of ill-health was accepted at the 22nd meeting of the Executive Yuan at Nanking April 23. Quo Tai-chi, Political Vice-Minister of Foreign Affairs. was appointed his successor. Hsu Mo, Administrative Vice-Minister of Foreign Affairs, will be transferred to succeed Mr. Quo; Liu Chung-chieh, formerly Chinese Minister to Spain, will take up Mr. Hsu's present post.

Minor Clashes Between Chinese and Japanese Troops Near Shanghai

Reports were received during the week of minor clashes between the Japanese and Chinese forces in the vicinity of Taitsang.

The Japanese account stated that in view of the frequent movements of Chinese troops recently in the vicinity of the Japanese outposts, leading to attacks upon Japanese sentries at various places, scouting parties were being sent round along the front lines. While on such scouting duty at noon April 26, one of the Japanese detachments numbering 36 was suddenly attacked by about 50 Chinese soldiers at a point approximately three miles east of Taitsang. The Japanese responded to the Chinese fire and with aid of another scouting party succeeded in driving out the Chinese troops from the Japanese garrison zone.

The Japanese account of the above incident stated that two of their men were missing; the Chinese account stated that 12 Japanese were killed. The Chinese account also alleged that the Japanese attack was unprovoked.

Chinese bulletins claimed that the Japanese military authorities are extending their activities in the Shanghai area to points south of the Soochow creek which were never involved in the recent military conflict. It was alleged that the Japanese are putting up defence works south of the Creek and had at times sent some of their troops across to post up anti-Chinese posters.

The Japanese bulletins cited several instances of alleged incidents where Chinese troops had fired on the Japanese forces and then escaped. The Japanese claimed that one of their men was killed and two wounded in such an incident during April 20.

In the meantime the Japanese have continued to withdraw many of their troops from this area, the stated destination being Japan, but it is more than likely that most of the troops that are being withdrawn from here are being sent to Manchuria.

The Ministry of Foreign Affairs end of last week lodged a protest with M. Shigemitsu, the Japanese Minister, against the flight of Japanese observation planes over Kashan, on the Chekiang-Kiangsu border. The protest says that such flights not only constitute violations of China's aerial sovereignty, but, in view of the present truce between Chinese and Japanese forces near Shanghai, amount also to a glaring breach of faith.

The Japanese on April 26 denied a Chinese report that a bombing plane had dropped three bombs in the vicinity of Sunkiang on the Shanghai-Hangchow Railway. The Japanese absolutely denied that they had done any bombing since the cessation of hostilities.

Japanese telegrams from Chinkiang state that the anti-Japanese and National Salvation Association in that city has again embarked upon the seizure and examination of Japanese goods handled by Chinese merchants. Pickets are examining all merchandise handled by native merchants not only during the day but also at night. The pickets at Chinkiang are stated to be cooperating with members of the Chinkiang Kuomintang members and the anti-Japanese Associations in the country districts.

Funds Being Raised for Airplanes Both at Home and Abroad

A proposal for the flotation of a $100 million long-term loan by the National Government for the development and expansion of the National Air Force and the creation of a committee for custody of the funds and their disposal, has been submitted by the Overseas Chinese National Salvation Committee in a petition to the Central Authorities.

According to the *China Times* and other local vernacular papers, large sums of money are now being raised by Chinese abroad to purchase airplanes for "a long war with Japan." Local Chinese organizations are stimulated by reports of these contributions from their fellow countrymen abroad, and are said to be preparing to continue the anti-Japanese agitations. Contributions are coming in from Chinese in Cuba, the United States, Java and several other countries. These funds contributed from abroad are to be used for constructing or purchasing airplanes with which the Chinese military here have been urged to continue the fight against Japan. Anti-Japanese feelings are exceedingly strong and deep-rooted among the Chinese in foreign countries, the Chinese papers state.

New Home Affairs Minister Is Appointed

The General Huang Shao-hsiung has been appointed Home Affairs Minister by the Central Political Council in succession to Marshal Feng Yu-hsiang, who recently resigned. Chen Shu-jen becomes chairman of the Kuomintang Overseas Committee in succession to General Wu Teh-chen.

Lin Sen, chairman of the National Government, left for Loyang during the week, his departure being regarded as disproving rumors that the Government intends moving back to Nanking from Loyang.

Hu Han-min Criticizes Chiang Kai-shek's Policy

The so-called elder statesmen in Canton, headed by Hu Han-min, are reported to be very critical of the policy of the National Government towards the Japanese occupation of Shanghai. According to the Kwangtung News Agency, an organ of the Provincial Kuomintang in Canton, Hu Han-min has steadfastly refused to go to Nanking not because of fear of being detained again at Tangshan but because of his firm belief that it is impossible for him to co-operate with General Chiang Kai-shek and Wang Ching-wei, president of the Executive Yuan. The reason, it is said, is due to the fact that neither General Chiang nor Mr. Wang is determined to resist the Japanese and this policy is contrary to that of the Kuomintang leaders in Canton and Hongkong.

Sun Fo Wants to Continue Fight Against Japan

Sun Fo, former head of the Executive Yuan, had a long interview with local Chinese press representatives April 25 at his home in Shanghai. He strongly emphasized the need of carrying on a persistent fight against Japan, both the central government and the people uniting, and cooperating closely with Soviet Russia and the United States.

Comments and views appearing in local Chinese papers, as well as those expressed by other observers here, indicate that the relations between the Canton and the Nanking political factions will probably constitute an important factor in the success or failure of the present Sino-Japanese Conference on the cessation of hostilities.

It is reported that, while the Nanking faction, represented by General Chiang Kai-shek and his henchmen, is desirous of bringing the Conference to a successful conclusion as quickly as possible in order to lead to a speedy withdrawal of the Japanese troops, the Cantonese are resolved to continue the "fight against Japan."

Mr. Castle Didn't Exchange Greetings with Manchukuo

A report from Mukden published in Shanghai last week alleging that W. R. Castle, assistant Secretary of State at Washington, had exchanged greetings with the Minister of Communications of Manchukuo, was officially denied from Washington. The report appeared in connection with the report of the reopening of the Mukden R. C. A. wireless station which was closed last September when the Japanese troops occupied Mukden, According to G. F. Shecklen, manager of the Radio Corporation of America, a telegram has been received from Washington stating that the report of Mr. Castle's exchange of telegrams was false.

According to report dealing with the radio situation in Mukden which appeared in last week's issue of *The Review*, the Mukden wireless station has been turned over to the Japanese by the Manchukuo government. According to Mr. Shecklen no new agreement either with the Japanese or Manchukuo has been made, and although he is not familiar with details, it is assumed that the Japanese have taken over the station and are now operating it without any agreement or in accordance with the terms which prevailed when the Chinese authorities were in charge in Manchuria

Japanese Divine Gives His Views on Shanghai Incident

Rev. Akira Ebizawa, general secretary of the National Christian Council of Japan, who returned to Japan recently from a visit to Shanghai as a member of the Christian Commission sent here unofficially by the National Young Men's Christian Association of Japan told the *Japan Advertiser* that the fundamental cause of the China-Japanese outbreak at Shanghai, was that neighboring nations, which should have been friendly, were fostering hatred by mutual distrust and lack of respect and understanding. The economic losses of both countries, he said, were tremendous. To prevent future incidents of this kind he suggested that an international Christian agency to make surveys and to give proper spiritual and religious guidance should be formed, also special efforts should be made to reform the educational policies of both Japan and China, so that friendship may be fostered.

The Campaign Against Banditry and Communism

The Civil Ministry of Honan Province recently reported to the National Government that the number of the people in South Honan who are suffering from the Red menace is over 3,000,000. Li Kung-cheng, a bandit leader, native of Kueiteh, about 30 years of age, is leading the movement in East Honan. He calls himself Tuanchang or regimental commander. He uses the same flags, uniforms, signs and orders for his men as are used by the regular army. Owing to the severe famine in East Honan, hundreds and thousands of the poor people have joined him to seek food. He is a persuasive speaker and has many spies.

The notorious Red leader, Li Ming-jui, whose bandit troops have been harassing the inhabitants of Kiangsi, was captured last week by the Kwangtung Bandit-Suppression Forces in Kiangsi, according to advices from Nanchang. Fighting which had been continuing a week between Li's units and the Government forces in southern Kiangsi, culminated in the capture of Yutu and Hingkwo, two "Red" strongholds. Li was taken during an engagement earlier in the week.

With the clearance of communist-banditry from the immediate vicinity of Kanchow, communication on the Kan River between Kanchow city and the provincial capital which had been suspended for months, is now restored. Hou Chung-yin, a divisional commander of the "Red" bandit forces, who was captured by troops when Kanchow fell into Government hands, has been sent to Kian to be tried by a military court.

The 1st Independent Kwangtung Division under General Huang Jen-huan has been ordered to advance from Wuping, Shanghang and Yungting, near the Kwangtung-Fukien border, against the "Red" bandit forces now threatening Changchow in Fukien. The troops are to effect junction with the 8th Kwangtung Division under General Huang Chih-wen.

A Nanking message says General Ho Ying-chin, Minister of War, who was recently appointed Commander-in-Chief of the Bandit-Suppression Forces for the five provinces of Hunan, Kiangsi, Kwangtung, Kwangsi, and Fukien, by the Military Affairs Commission, is drafting a program for the prosecution of the campaign. General Ho will leave for Nanchang to direct operations after making final arrangements with General Chiang Kai-shek and the members of the Military Affairs Commission.

Chekiang Drives Bandits Away from Border

Under pressure from Government troops which are hemming them in from the north and south, a large force of "Red" bandits from Kiangsi attempted to cross the border into Chekiang April 17 but were driven back by the Chekiang Provincial Peace Preservation Corps. When the outlaws, numbering over 7,000 strong, attacked the town of Hwapu, on the Chekiang border, the 3rd Regiment of the Peace Preservation Corps was immediately despatched to check them. A fierce battle ensued. The brigands subsequently withdraw to Kiangsi leaving behind many dead and wounded. Additional troops have been ordered to the border to guard against a repetition of such incursions.

With the collapse of General Chang Cheng's Government Army at Amoy and the threatened invasion of the city by Communist forces, a conference of the consuls of all foreign Powers on the port was held April 20 to discuss measures to safeguard foreign lives and property in case of emergency. The Communist forces number approximately 20,000. They are clad in black and in khaki uniforms, and carry arm bands inscribed with the words "Anti-Japanese and National Salvation." The feelings against the Japanese are said to be extremely strong among these soldiers. Many of General Chang Cheng's Government troops went over to the side of the Communists. It is alleged that General Chang Cheng misappropriated public funds (opium tax revenues) and, instead of paying his soldiers, put them into his own pooket.

According to a Government Mandate, General Ho Ying-chin, Minister of War, and General Chen Chi-tang, Director of the Canton Pacification Headquarters, have been appointed Commander-in-Chief and Vice-Commander-in-Chief of the Bandit-Supperssion forces for the Kiangsi, Kwangtung and Fukien Border regions. Generals Ho and Chen will be in complete control of all Government forces in Kwangtung, Kiangsi and Fukien as well as the Nanchang and Canton Pacification Headquarters. The Commander-in Chief's Headquarters are being established at Nanchang.

To facilitate operations against the bandits, the Kwangtung units under General Yu Han-mou are constructing a motor-road between Namyung (northern Kwangtung) and Tayu (south-western Kiangsi).

General Ho Cheng-chun, Director of the Hankow Pacification Headquarters, proceeded to Sinyang, southern Honan, by the Peiping-Hankow Railway end of last week, accompanied by Generals Liu Chen-hua, Pacification Commissioner for the Honan-Shansi-Shensi Border, Hsu Lang-si, Chief-of-Staff to General Ho, and Mr. Ho Cheng-wu, Chairman of the Administrative Committee of the Peiping-Hankow Railway. General Ho is attending a military conference convened by General Liu Chin, Chairman of the Honan Provincial Government and concurrently Director of the Kaifeng Pacification Headquarters at Sinyang to discuss measures for the joint suppression of banditry in the provinces of Honan and Hupeh. General Wang Chun, Commander of the 7th Division and concurrently Garrison Commander of the Tientsin-Pukow Railway, is also attending the meeting.

A "Squeezing Rebel" Is Outwitted

A rebel commander named Ney operating in the district between Foochow and Hingwha in Fukien province recently begun a campaign of extortion. One of his methods of operation was to introduce roads "for the improvement of communications and the lasting benefit of the people." When roads are made, land is taken without any compensation to farmers, the labor involved is not paid for and, if a house stands in the way of a new road, the house has to come down. Naturally, this situation affords an easy way of making money for a dishonest official as householders are ready to take the lesser of two evils and pay "squeeze" to have the road go through anybody's property but their own. The suggestion that for $1,000 the road would go elsewhere was sufficient in most cases. But this plot failed recently in the village of Ming Tiang. When the villagers said they did not want a road, Ney said they should have three roads for objecting, and gave orders to that effect. Had these been carried out, there would have been little left of the original village. The villagers said they would rather die: they had come to the end of their tether.

Their plot took the old one of a feast to which the chief military people in that part of the country were invited, but not Mr. Ney. The feast was held in a temple, and, during its course, the place was surrounded by villagers armed with hoes, picks or any implement which came handy. Others brought straw and supplies of kerosine and in a very short time the place was on fire. A correspondent of the *N. C. D. News*, who gives the details of the event, relates that this was the signal for the whole of the country side to rise, and rise it did. In one night, Ney lost one major-general, two majors, 200 other ranks, and had 400 men disarmed. Ney and the remainder of his troops later fled to the hills.

The Situation at Amoy

Five American missionaries, with three children, evacuated Tungan, a city some 17 miles north of Amoy. They have done so because the rebel forces under the command of General Sun Liang-chen, the Communist leader, may attempt to capture the city.

The latest news from Amoy was that the Communits would probably not attack Amoy, due to the fact that the city is well guarded by forts and three Chinese warships as well as men-of-war of several foreign countries.

There has been a huge influx of refugees to Amoy and as a result the local banks have removed their silver to the Foreign Concession. The Chinese soldiers of Amoy have not received wages for the last four months and it is feared that they may turn loose and create disturbances by looting or setting fire to dwellings.

Long Distance Telephone Extension in Shantung

Extension of the long-distance telephone system in Shantung so as to embrace all districts in the province is being planned by the Provincial Reconstruction Department. Of the 107 districts in the province, 84 are already connected by telephone. It is now proposed to install long-distance telephone lines in the remaining 23 districts in eastern and southern Shantung at the earliest date possible.

China Wants More American Wheat

Sir John Hope Simpson, Director-General of the National Flood Relief Commission, who is now on a tour of inspection of the flood areas of Central China has wired from Changsha that the allocation of grain and flour is now exhausted and that flood-relief work in certain districts must now be suspended, particularly in Hupeh province where some 500,000 men are employed, and in Hunan where some 800,000 refugees are at work. A recent editoral in *The China Press* (Shanghai) pointed out that this means that China needs more American wheat to carry this job through to completion and for other equally important jobs that should be taken in hand at once, It is understood that the Chinese Government is now giving this matter serious consideration and while no official report has been issued it has been reported that an application is shortly to be made for a further consignment of American wheat ranging from 100,000 to 200,000 tons.

Sir John, in the course of his telegram, stated, "A marvellous amount of flood relief work has been done on the dykes and is still going on everywhere." "Even in bandit sections," Sir John's message says, "work is going on strongly. There are, however, almost insuperable difficulties in the Han River district. One convoy had over 50 bullet holes in a launch on arrival at its destination. As a direct result of the heroism being displayed by the subordinate staff, repairs in bandit areas are proceeding at least as well as elsewhere." "The condition of refugees in many parts is pitiable, and no further funds are available for free relief in Hupeh. Here children in the worst affected areas are no longer salable and are given away gratis. There are 12,500 widows and orphans in Wuchang alone." Also, he reported that the new wheat diet had produced satisfactory results from the standpoint of the health of the flood refugees. In many districts workers accustomed for generation to a rice diet, are now turning to wheat-flour. With the exception of an outbreak of typhus at Wuhu which had no connection whatever with the use of wheat-flour as a diet, the health of the refugees has been generally good. Finally, the Director-General declared that the method of handling accounts, inspection, division of work into districts and other matters adopted at the beginning, had been completely vindicated in the light of final results.

John Earl Baker Discusses Flood Relief Work

In an address delivered before the Shanghai Alumni Association of St. John's University on April 19, John Earl Baker, Chief of the Commissary Division of the Field Operation Department of the National Flood Relief Commission, suggested that the Flood Relief Commission, providing more wheat was available, could embark on a road construction program that would keep the refugees employed through the coming spring and summer and at the same time "create channels for commerce as well as the means of furthering the unification of the country."

According to this plan the Flood Relief Commission would use its present organization and as many of the laborers who may desire to carry on, in the construction of a main road extending from Shanghai toward the Southwest, passing through Hangchow, capital of Chekiang province and thence into Kiangsi province through Nanchang the capital and then still further west to Changsha, capital of Hunan. Such a road through this important section of country, embracing western Chekiang, southern Anhwei, northern Kiangsi and Hunan, being isolated from direct communication with the seaboard would be a great boon. Also, they are economically starved due to high freight rates and difficulty of transporting products to market. The inaccessibility of these regions, plus the economic complications, have been largely responsible for the political and social ills which have beset these regions. The construction of a modern highway system, say 1,000 miles in length, through these regions would immediately provide employment for thousands of persons who now have no regular means of employment, The use of American wheat would provide a diet immeasurably superior to what is now available. The low selling price of the wheat, used as payment for actual labor as has been done in the case of the flood refugees, would have the effect of reducing the costs of all food products and thus eliminate profiteering in foods, the curse of all backward and inaccessible areas. Finally the completion of the road would result in the districts being made accessible to the outside world, otherwise the seacoast at Shanghai, and this in turn would improve the economic situation.

Chinese Paper Criticizes Foreign Municipality's Policy

A warm tribute to Sir Miles Lampson, the British Minister, for his far-sighted statesmanship in promoting Sino-British friendship and goodwill was paid in a recent issue of *China Times*, mouth-piece of the intelligentsia, according to the *Kuo Min News Agency*. Under the striking caption of "Barriers to Sino-British Friendship," the *China Times* editorial deplores, at the outset, the series of misunderstandings and frictions which have marred the relations between China and the various Powers during the past eight decades.

In the past few years, however the editorial points out, a remarkable change has taken place, due largely to a reorientation of their China policy on the part of the various Western Powers, with the result that Sino-Foreign relations have shown steady and rapid improvement.

Declaring that this new era in Sino-Foreign relations opened with the generous remittance by the United States of her share of the Boxer Indemnity, the paper continues:—

Tribute to Sir Miles Lampson

"What has particularly impressed us during recent years is the fact that since the appointment of Sir Miles Lampson as British Minister to China, there have been repeated and concrete proofs of British friendship and goodwill for China. This has produced the happy result not only of removing all the misunderstandings caused by the May 30th Incident (1925) between Chinese and British nationals, but the relations between the nationals of these two countries have actually attained a degree of friendship and goodwill which may be described as unprecedented in the history of Sino-British relations. Above all, this has led gradually to much closer cooperation between Chinese and foreign residents, particularly the British, in the International Settlement.—a fact which has been eloquently exemplified by the admission of more Chinese members to the Municipal Council, the appointment of Chinese to positions of responsibility in the Council and the rendition of the Mixed Court."

The editorial, however, deprecates the reckless charges against the Special District Courts made by General Macnaghten, leading British resident and retiring Chairman of the S.M.C., in the course of his speech delivered at the recent annual meeting of foreign ratepayers. Refuting these charges as well as the allegation by General Macnaghten that the alleged delinquencies of these Courts constituted one of the main contributory factors to the recent Japanese military orgy in Shanghai, the editorial points out that such irresponsible charges made by such a leading British resident as General Macnaghten, who claimed to voice the "unanimous opinion" of the foreign community, can not but be looked upon as a barrier to Sino-British friendship.

Mistaken Policy of Settlement Authorities

The editorial contends that the recent catastrophe in Shanghai was attributable entirely to two causes, namely, the unjustifiable and mistaken policy of the Settlement Authorities in inviting the troops of various fereign powers to be permanently and indefinitely stationed in Shanghai; and secondly, their failure to avert beforehand the catastrophe of January 28 and their connivance at the aggressive acts perpetrated by the Japanese forces. Thus, it is the Municipal Authorities of the Settlement who must assume responsibility for the Japanese military invasion.

The editorial says that in passing groundless strictures upon the Chinese Courts and ascribing the Shanghai catastrophe to the delinquencies of the said Courts, General Macnaghten was merely attempting to disclaim responsibility for the Council of which he was Chairman. It expresses the belief however that General Macnaghten's speech reflected the opinion only of the reactionary elements among foreign nationals in Shanghai. "The attitude of such reactionaries is that Shanghai is the Shanghai of foreigners, or to be more exact, of the British and the Japanese," the editorial declares.

Concluding, the editorial declares that Sir Miles Lampson and other far-seeing Britons may justly lay claim to the credit of being the best promoters of British trade in China. "Owing to the infancy of our industries, we must of necessity import a large quantity of foreign goods from abroad. It goes without saying that it is the goods of our friends that we are the most eager and willing to buy," the editorial concludes.

The Japanese Expedition Is a Failure

BY E. U. BARUNG

Harbin, April 17, 1932.

A detachment of Japanese troops which had been operating against the Old Kirin Chinese troops in the country along the eastern line of the Chinese Eastern Railway came back by train to Harbin April 10. A regiment of Japanese cavalry troops, acting in localities around the town of Fanzhen are reported to be on their way to Harbin. It is reported from Japanese sources that the staff of the division under General Tamon is coming to Harbin to-morrow. The brigade commanded by General Hasebe remains for the time being in the region near Yanzhen and is reported to be returning in a short time to Harbin.

Judging from what can be gathered from the fragmentary and one-sided information given in the local press under Japanese censorship, the direct strategic objective of the Japanese troops operating in the Kirin province has been, in the present stage of development of the campaign, to occupy the town of Sansin, which has been reported to be the military base of the troops of General Ting-chao. The final objective of the Japanese expedition was a complete annihilation of the Chinese troops of the Three Eastern Provinces. The town of Fanzhen situated on the right bank of the Sungari river is about 160 kilometers east of Harbin. A large number of the Old Kirin troops took up their positions in the hilly regions around the town. It was reported some time ago that Fanzhen was repeatedly attacked by the combined forces of the Japanese and the New Kirin troops. As the Japanese troops, weary of being constantly molested on their march by Chinese detachments could not reach Sansin, and are now returning to Harbin, it may be inferred that the expedition has turned out to be a failure. The Japanese troops on their advance into the interior of the country were at all times, day and night, surrounded, watched, and attacked by numerous small and large bodies of the Chinese troops who made their bases in the woods, where the Japanese armored cars, tanks, heavy artillery, and even airplanes are almost absolutely useless. The Japanese forces moving comparatively in large masses could not act effectively against these light Chinese detachments. The situation was perhaps such as to require the Japanese command to divide the forces into several detachments, small in number, and set them in pursuit of the Chinese partisans. But the Japanese commanding authorities did not do so, apparently for fear of putting each of such detachments in danger of being enveloped and attacked by the Chinese partisans, who have a great advantage over the Japanese in that they are thoroughly familiar with the hilly and wooded lands of the country. The Chinese troops were in the rear as well as in the front and both flanks of the Japanese troops, making thereby the communication between the different Japanese bodies of troops difficult and the movement of transports impossible. The garrisons and the police of the New Kirin troops stationed by the Japanese authorities in the towns in the rear of their troops were driven out and dispersed or captured by the Old Kirin troops. While the station of Hailin is garrisoned and policed by the Japanese the station of Hantahetsu which is located about fifteen kilometres west of Hailin was occupied by the Chinese, and so were the stations of Gaolintsi, Yablonya and Shitohetsi.

Another Expedition Is Planned.—16 Gun-boats to be Brought from Japan

After giving a rest to their troops in Harbin the Japanese are going to undertake a new incursion into the interior of Kirin province which they plan to start when the Sungari opens for navigation, so that the river can be used for transporting troops. To carry out the plan of the forthcoming expedition it has been resolved to increase the number of war-vessels of the Sungari fleet by sixteen gun-boats, to be brought from Japan in the very near future and also to reinforce the troops in Harbin by one brigade, which according to reports emanating from the Japanese Military Mission at Harbin, is expected to come to Harbin at the end of the current month.

Although the transporting of the Japanese troops may be facilitated by using the Sungari fleet, yet it is very doubtful that the new expedition will be crowned with success. In about two weeks the ground will be covered with grass, making a splendid fodder for the horses of the Chinese partisans, whose movements from place to place then becoming unimpeded by the burdens of forage, will be swift. The woods will be clothed with foliage, which will hide Chinese soldiers from the eyes of Japanese aerial scouts, and afford places for ambush.

Japanese Propose to Guard the C. E. R.

The Japanese military authorities in Harbin as well as the administration of the Chinese Eastern Railway are making investigations into the case of the Japanese military train being blown up at half past ten p.m., April 12. None of the culprits have as yet been detected. The Japanese military staff here is of the opinion that the catastrophe was caused either by troops of the Old Kirin Chinese army, or by some partisans of Marshal Chan Sue-hang, or some terrorists.

The Japanese staff made a special declaration in which they pointed out that the catastrophe had taken place at a place lying outside of the zone of military operations, at a place which is in close vicinity to Harbin, centre of the administration of the railway. Moreover, emphasizing the fact that several lots of explosives were recently discovered at different places on the railway line, and especially referring to the occasion when a lot of dynamite weighing about eight poods (1 pood eq. 36.11 pounds avoirdupois) was found fastened to the bridge over the Sungari River Second, intended for blowing up the bridge, the Japanese declared that the railway is guarded in an inefficient manner, and that on the occasions when Japanese troops are to be transported by the railway and some other particular cases when Japanese interests in some way or other may be involved, the Japanese will have to take the guarding of the railway into their own hands.

Chinese Troops Move Towards Harbin

The Old Kirin troops are reported to be moving towards Harbin along the eastern line of the Chinese Eastern Railway. The Chinese troops of the New Manchurian Government, retreating before the advancing troops came to the station of Imienpo, about 100 kilometers from Harbin.

The Old Kirin Troops Keep Control of the Province

The Japanese expeditionary forces to the interior of Kirin Province consisting of two Japanese brigades under Generals Amano and Hasebe arrived in Harbin April 12. With their return to Harbin the eastern line of the Chinese Eastern railway and places along the Sungari river, where the Japanese troops had operated, are now wholely under the control of the Old Kirin troops. At the time the Japanese troops left the places some of them remained occupied by the New Manchurian Chinese troops, but according to the opinion of General Amano expressed by him in an interview given to a correspondent of a Japanese newspaper in the Russian language here, the New Manchurian Chinese troops cannot stand against those remaining loyal to the Old authorities of the Three Eastern Provinces. He stated in the interview that the troops of the New Government of Manchuria go into battle with great reluctance and very many of them go over to the side of the champions of the Old Government.

While the whereabouts of General Ting-chao, leader of the Old Kirin troops, is unknown, General Li-Tu, the other leader of the Old Kirin troops, has established his staff at the town of Hantohetsi. In anticipation of a new Japanese incursion, which they are going to effect by the Sungari river, the Chinese troops are making preparations for a further struggle. It has been reported that the Chinese carry to and pile up earth and stones in the bed of the river off the town of Sansin, where the water is shallow and where, in order to secure a channel for ships, dredging operation were formerly carried on.

Refugees Crowding to Harbin

400 Koreans, residents of the town of Tunbing, situated about 120 kilometers east of Harbin, came together with the Japanese troops to Harbin April 13. Another party of Koreans is expected to come to Harbin soon from the country about Tungbing where about 1000 Korean families reside. Russian refugees are crowding to Harbin from places that have become the scene of war.

Charred Remains of a Plane Found Near Fanghen

A Japanese pilot flying his plane over the country around the town of Fanzhen observed about 15 kilometres from the town the charred wreckage of an airplane which is supposed to be that of the recently lost Japanese plane "Aikoku No. 5," of which, excepting the wreckage mentioned above no trace has been found.

Two Years Will Have Passed Before Manchuria Is Subjugated and Pacified

After being unsuccessful in attaining the desired results by the first expedition against the self-Defence Army of Kirin the Japanese now are very much intent upon devising a new plan for further war activities to be undertaken by them with a view to a complete subjugation of Manchuria. In an attempt to achieve this they are going first of all to bring more troops to North Manchuria. And according to reports from Japanese sources two divisions of Japanese troops are on their way to the country. From a statement made by General Tamon, commander of the Japanese expeditionary forces in Manchuria, it is understood that the first expedition was planned to cope with the task within the period of time of two weeks, but the expedition lasted forty days and returned without achieving anything. In an interview given to local pressmen General Tamon said that due to propaganda and agitation among the Chinese of North Manchuria there is among them an intense feeling of hostility towards the Japanese, and that the pacifying of the country will require no less than two years' time.

The expedition revealed to the Japanese that they have to deal with not only the soldiers under arms but also the majority of the population of the country many of whom have taken up arms and joined the Old Kirin Army, which, thus, has increased in member.

Ninguta Occupied by Old Kirin Troops

The latest reports reaching Harbin from places along the eastern line of the C.E.R. state that Ninguta, a large centre of a district lying south of the railway line, has been occupied by troops of the Self-Defence Kirin Army, and that detachments of the Army are moving towards Pogranichnaya, eastern terminus of the C.E.R. A telegram received from that station by the Japanese-Consulate General in Harbin states that the Japanese residents of Pogranichnaya have left for places on the Russian territory and are going to proceed via Vladivostok to Japan.

Exhibition of Japanese Goods in Harbin

A large exhibition of Japanese goods was held at the premises of the Association of Importers on Sunday last. The exhibits represented cotton goods, blankets, rubber goods, hats, articles of celluloid, stationery, vacuum bottles, brushes, enamelled ware, looking glasses and other kinds of goods produced at factories in Osaka. The exhibition was organised by the director of the Japanese Commercial Museum in Harbin and was intended to get the importers and the public acquainted with the qualities and prices of the goods.

Japanese Interest in National Wealth of Manchuria

The attention paid by different scientific and industrial organisations of Japan to the natural wealth of Manchuria has become much more intense since the time of setting up of the new government in Manchuria. The country is being constantly visited by groups and individuals interested in the various phases of the extracting industry.

On Saturday last 26 Japanese industrialists headed by Mr. Kurimoto, member of the Osaka Chamber of Commerce and Industry and concurrently director of a leading foundry in Japan, arrived in Harbin. The group includes big manufacturers, directors of factories and works and several scientists working in the line of industry. Their object in coming to North Manchuria is to make a thorough investigations of conditions in the Manchurian market and in the country in general with a view to making large investments of Japanese capital in various kinds of commercial and industrial enterprises to be opened by Japanese concerns in North Manchuria.

Japanese Economist Lectures on Manchuria Wealth

A prominent Japanese economist gave a public lecture at Dairen on the subject of the natural resources of Manchuria. He pointed out that the Three Eastern Provinces are famous all over the world for their natural wealth, that in spite of the fact that the area under agricultural cultivation makes but about 35% of the total arable area in the country the worth of export of beans alone amounts to 700 million dollars a year. As regards the mineral resources, there are 640 different places in Kirin province alone where mineral deposits have been discovered. The three provinces taken together contain about 1600 different places with mineral deposits. The total area of woodland occupies 400,000 square kilometres.

The Central Bank of Manchuria

A new bank, The Central Bank, is reported to have been organized and established by order of the new government of Manchuria. The bank is capitalized at 30,000,000 dollars, one half of which sum is invested by the government—the other half to be obtained by issuing shares. The monetary unit of Munchukou remains for the time being the silver dollar but by and by the government is planning to shift to the gold basis. It is understood that the right of issue will be enjoyed by the Central Bank only; and orders forbidding issue have been given to the Tsitsihar Bank, the Kirin Provincial Bank, and to the Frontier Bank, which hitherto had the right of issue. The local dollar experienced a sudden downfall when rumors spread that the local dollar now in use is to be exchanged at the rate of $1.35 for $1.00 of the new currency.

A New Channel for Squeezing Japanese Economic Power Into Manchuria

The Chosen Bank has issued new kinds of banknotes with the face value of 10 sen, 20 sen and 50 sen. The banknotes are specially intended for the Japanese troops in Manchuria to be used by them when buying goods or settling any accounts with Chinese or Japanese merchants. No banknotes below one yen in value existed before the issue of the kinds above mentioned; there were only coins. The new banknotes have already appeared on the market and are valid only in Manchuria. This innovation may be regarded as a new channel for squeezing more of the Japanese economic influence into the country.

Linebarger and Moore Quarrel at Far East Forum

Frederick Moore, formerly foreign councillor to the Japanese Foreign Ministry, and "Judge" Paul M. Linebarger, legal adviser to the National Government of China indulged in an acrimonious discussion at the Institute for Far Eastern Affairs in Washington, March 22. Citing a statement by Mr. Moore concerning China, "Judge" Linebarger said: "The speaker said there was no government in China. Well, I am on the payroll."

Mr. Moore leaped to his feet and shouted: "I am not on the payroll of any government. You are, but I am not." "Judge" Linebarger continued to belabor Mr. Moore with accusations, but the personalities were stopped by an admonition from the chair.

Mr. Moore, in his formal address, criticized the attitude of the United States toward China and Japan, saying: "For a quarter a century Americans have been condoning the faults of the Chinese and magnifying those of the Japanese. We have so long deluded ourselves with sympathy and hope for the one and prejudice against the other that our vision of East Asia is distorted, and it is difficult for us see the facts as they are. American sympathy and support of the Chinese is harmful more than it is helpful to them. The Chinese need food and we Americans give them politics and religion. Our government has developed an extraordinary policy regarding China. Although we have carefully avoided entering into any pact providing for the security of a European State, we have led the world into treaties and policies pledging China's independence and integrity. We have the power, if we care to use it, to prevent Japan's transgressing her colossal neighbor's territorial integrity, but we cannot defend China from Russia. The Japanese can. They have in the past and may be required to do so in the future. The Chinese can manage institutions successfully only in foreign-protected treaty ports. Elsewhere their own banks, railways, business houses and even schools are at the mercy of the local War Lord."

"Judge" Linebarger in his address contended that a strong central governmont in China would be impossible until the "unequal treaties" of the foreign governments in that country have been abolished.

Huge Oil Resources in Shensi Province

The Nanking *Central Daily News* April 23 reported that the Ministry of Industry is making comprehensive plans to develop petroleum wells in the Yenchi district of Shensi province. The report says that the area is capable of producing an oil supply great enough in extent to fill the needs of the whole world for the next 300 years; nevertheless China is now importing $100,000,000 worth of petroleum annually. An instruction has been sent to the Commissioner of Reconstruction of Shensi province to submit a detailed report concerning the wells.

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "Switzerland of China." Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

The Economic Value of Manchuria to Japan

BY C. Y. W. MENG 孟長泳

THE American Economic Boycott Association against the Japanese, in its circular telegram to the whole world, pointed out quite clearly *inter alia* that should Japan be allowed to occupy Manchuria, she would be greatly benefited by the natural resources in that territory, which are now ultimately lacking in Japan; and from the military standpoint she would then be the most powerful country in the world, the world peace would be totally disturbed, and there would be no way to put the Island Empire under control by that time. The Association then concluded that it deemed it necessary to call the attention of the signatories to the Nine-Power Treaty and the Anti-War Pact to this point, and urged all people on the earth to severeconomic relations with the Japanese, not as a theoretical proposition but in a practical way, so as to stop the Japanese imperialistic actions in China.

Let us now study more clearly in what way Manchuria is so valuable to Japan, and then we shall try to forecast what the Islanders will do next when they settle down in Manchuria.

The area of cultivable land in Manchuria is about four times that in Japan; and that of uncultivated land in Manchuria is about eight times that in Japan; and that of uncultivated land in Manchuria is about two times that of the cultivable land in Japan!

The density of population in Manchuria is only about one-fifth of that in Japan. If Japan is allowed to be in possession of such a big and rich territory, it means the expansion of the Island Empire about four or five times.

For the past several years, the Japanese authorities have been searching quite anxiously for some space in this universe to colonize their surplus population. Being a late comer, however, it was too late for her to colonize such places as Africa, Australia, etc. If she succeeds in getting Manchuria, she solves automatically one of her knotty problems.

Japan's Food Problem Solved

Soy bean, kaoliang, wheat, rice, cotton, etc., are the principal products in Manchuria. In 1929, Manchuria alone produced about 37,000,000 piculs of soy-beans, which is one-sixth of the total soy-bean production of the world. Soy-bean production in Japan is only one-eleventh of that of Manchuria! As a whole, Manchuria produces agricultural products of a volume of about 15,000,000 piculs annually. Aside from local consumption purposes, Manchuria has a surplus of 70,000,000 piculs left which would be quite sufficient to feed the Islanders. That is to say, the Japanese would have solved another vital problem —the food problem!

Plenty of Coal, Gold and Iron for Japan

According to the studies made by the Japanese experts, the following mineral resources are available in Manchuria:

Mineral Resources	*Tons*
Iron	832,224
Pig iron	348,053
Pyrites	3,028
Copper	840
Manganite	609
Placer gold	1,477
Coal	10,040,652
Cokes	485,321
Oil Shale	981,004
Magnesium	29,016
Fireclay	53,664
Talc	25,786
Magnesia	116,925
Limestone	988,489
Asbestos	110
Quartz	20,000
Feldspar	500
Calcite	1,000

The table below will show the tonnage of coal, gold and iron in Manchuria:

Name of Coal Districts	Tonnage of coal under ground (100,000 tons as a unit)	Tonnage of coal output (1,000 tons as a unit)
Yintai, 營台 along S. M. R.	400	178
Tailitzekau, 大窰子溝 along S. M. R.	320	305
Puchiwu 本溪湖, along Mukden-Antung Line	1,000	582
Yuisingtai 牛心台, along Mukden-Autung Line	100	41
Wusui 撫順, along Wusui Line 撫順線	9,157	7,259
Aokinkau 阿金溝, along Wusui Line	100	50
Singchu 新邱, along Pei-Ling Line 北寧線	11,100	9
Peipao 北票, along Chingchao Line 錦朝線	200	509
Laotakau 老頭溝, along Kirin-Changchun Line	150	20
Tsarlaiyehyi 札賚諾爾, along Tungtsze Line 東支線	3,000	5
Total	25,547	9,958

According to the geological survey conducted by the South Manchuria Railway Company a short time ago, the gold output in Kirin and Heilungkiang is estimated at 39,400 tons, which is four times that in Japan proper.

It was reported sometime ago that owing to the shortage of gold in Japan, the Ministry of Finance in Japan decided to open up the gold mines in Manchuria, such being the only way to solve the crisis. A sum of 80,000 yen was appropriated for conducting the investigation work. A group of experts was sent to Manchuria to work out definite plans, etc.

According to investigations conducted by the same authorities, the supplies of iron ore in Manchuria would be sufficient to supply the needs of the Japanese for the next 200 years.

It is to be noted that at present 20% of the iron used in Japan is supplied from abroad. From various sources of investigation, it is further found that the coal and iron output in Japan is only sufficient to last her for ten years. If Japan is in poccession of Manchuria, where coal and iron are abundant, Japan solves another vital problem.

Forestry is one of the natural resources in Manchuria. The area of forestry districts in Manchuria is about 7,200,000 square li (Chinese) with about 150,000,000 trees. This is four hundred and thirty times as big as that in Japan.

What Japan Will Do Next?

Such is the value of Manchuria to Japan. As soon as she is in possession of Manchuria, she would solve automatically all her problems, like a sword cutting the gordian knot; and she would then declare to the world that Japan is no longer dependent on the outside for necessities. Such action as the "economic blockade," which might be taken as an opposition against the Japanese would not prove any harm to Japan. She would spend at few years of intensive exploitation of the newly acquired land; after that, the Islanders would notify the westerners that Japan does not like to see the "white people" to retain the control over the "yellow people". India and all the British colonies in the Far East would no longer be the colonies of Great Britain, but of Japan. The Philippine Islands would no longer be the colony of the United States of America but of Japan. Japan declares its hegemony in Asia! "In the middle of the 20th century, Japan will meet Europe on the plain of Asia and will wrench from her the mastery of the world," said Count Okuma some years ago.

The second part of the Tanaka Memorial to the Throne has the following to say:—

"Having China's entire resources at our disposal we shall proceed to conquer India, the Archipelago Asia Minor, Central Asia, and even Europe. But to get control of Manchuria and Mongolia is the first step if the Yamato race wishes to distinguish themselves on Continental Asia.

"Since the effect of the Lansing-Issii Agreement is lost after the Washington Conference, we can only recover our interests through the favorable development arising out of the presence of several millions of Koreans in Manchuria.

"Manchuria and Mongolia are the undeveloped countries in the East. Over this territory we shall have to go to war with Soviet Russia sooner or later. The battle ground will be Kirin.

"Manchuria and Mongolia are the Belgium of the Far East. In the Great War, Belgium was the battlefield. In our wars with Russia and the United States, we must also make Manchuria and Mongolia suffer the ravages. As it is evident that we have to violate the neutrality of these territories, we cannot help building

PROOF THAT CHINA NEVER GIVES UP THE STRUGGLE

The two pictures at the top were taken by *The Review's* photographer and constitute definite proof that the Chinese people are not disheartened. The pictures show Chinese villagers at Woosung engaged in the construction of temporary houses amidst the wreckage of their former homes and business properties in Woosung Village. Many of these temporary structures are now being erected by Chinese peasants, who are receiving no help from anybody, but who are determined to carry on despite the destruction of all their worldly possessions by the Japanese invaders.

The picture in the lower left is all that remains of one of the ancient gun-emplacements at Woosung which were destroyed by the Japanese military and naval authorities—not during the war—but after the Chinese had retreated. After the Chinese withdrew from Woosung and the Japanese took over the Japanese naval authorities sent forces ashore and blew up all the Chinese gun positions which they had been unable to accomplish during the war. Many of the guns were removed by the Japanese and transported to Japan for exhibition in war museums and public parks in Tokyo. The gun shown in this picture, which was spiked and destroyed by the Japanese, was not used by the Chinese because it was entirely too old for operation. According to report it was installed in the Woosung Forts after the British occupation of Shanghai in 1842.

The picture on the lower right shows a foreign tourist inspecting the ruins of another Chinese gun at Woosung. The object with the rope attached in the lower corner is the breech-block of the gun which was blown out when a Japanese landing party dynamited the cannon after the Chinese troops had withdrawn. This gun was of 10-in caliber and contained the trade mark of an English arms manufacturer, who sold the gun to the Chinese authorities about the middle of the past century. The wreckage in the concrete was caused by Japanese dynamite which was used by the Japanese landing party after the evacuation of the Chinese troops.

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the Kirin-Hueining and Changchun-Talai Railways in order that we may be militarily prepared."

From the above it is clear that if the powers having interests in the Far East still remain indifferent now over the present situation and take no steps to stop the Japanese military actions in Manchuria and to prevent the materialization of the Japanese scheme of becoming a "master of the world", they would soon realize that they are making a great blunder. The Manchuria problem is not alone a Chinese problem. It is a problem that the world should settle not for China but for the world itself.

Nanking, April 20, 1932.

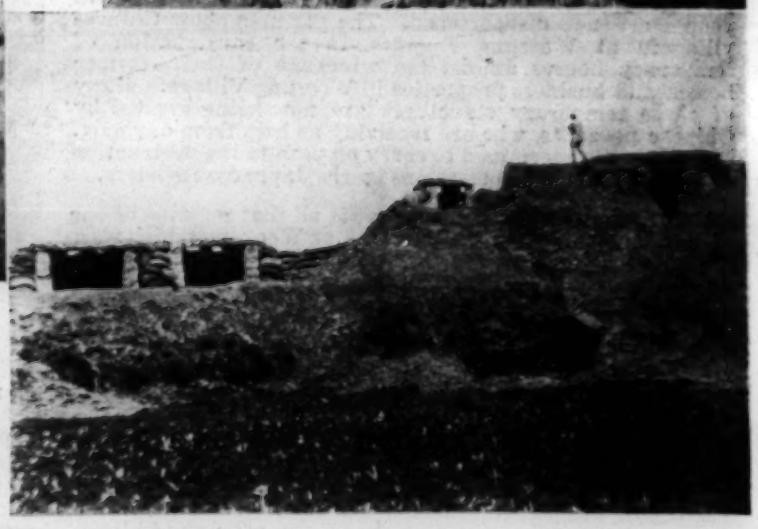
Japanese Want Hostages for Manchoukou Officials' Fidelity

Moscow *Pravda* April 21 published a report to the effect that the escape of General Ma Chan-shan to Taheiho has increased the fears of General Honjo and his Staff that a number of other nominal heads of the Manchurian Government may follow General Ma's example. It is stated that the Kwantung Army, in addition to keeping a close watch over the Manchurian Premier Tsang Hsi-chi, Chang Ching-hui, Hsi Hsia and others, has decided to demand that all these persons send their families to Mukden as hostages, as proof of their fidelity to the New Manchurian State.

SOME OF CHINA'S "AMAZONS" DIGGING TRENCHES NEAR TAITSANG

The picture in the upper left corner proves conclusively that China's young women soldiers do more than pose for cameras. This picture taken behind the Chinese lines near Taitsang shows women students from Feng Yung University, Mukden, who have been doing actual military service with the Chinese army in the defence of Shanghai. According to report many of the Chinese "Amazons" recently have gone back to Manchuria to assist their fellow provincials in ridding that territory of Japanese invaders.

The picture in the lower left corner shows Gen. Sheng Kwanghan, commander of the 60th Division, inspecting the credentials of a foreign military attache who visited the Chinese front. He is inspecting the foreigner's visiting card. The woman standing at the left is Mrs. Sheng, who took advantage of the lull in the fighting to visit her husband at the front.



The two pictures on the right are sections of the elaborate trench defence system which the Chinese have constructed between Soochow creek and the Yangtsze and where they intend to put up a firstclass defence in the event the Japanese attempt any further military adventures inland.

Japanese Women Buddhists Thank Officers at Woosung

Members of the Shanghai Buddhist Women's Association, of the Nishi-Hongwanji Temple on Chapoo Road, Shanghai, visited the Woosung port area April 26, to pay respects to the officers and men of the Japanese garrison forces at Woosung and thank them for their services in affording protection to the local Japanese community.

The Japanese Consular police authorities April 22 announced that a total of 4,803 Japanese residents of Shanghai, out of 12,800, who had fled to Japan during the recent trouble, are now back in this city.

The Guardian's Comment on Divine Help for the Japanese

The *Manchester Guardian*, in a leading article April 22, ridiculed an account by Colonel Kohata in the *Japan Chronicle* in which he ascribes the courageous exploits of the Japanese troops at Shanghai to their belief that they were fortified with divine help. The *Guardian* asks: "If Colonel Kohata associates divine help with the project of easy demolition of a populous Chinese suburb by an air bombardment which was particularly cruel and particularly disgraceful, is it possible that he does so in order to fortify his own conviction of the righteousness of his cause?"

"CHARLIE CHAN" STILL GOING STRONG ON SOOCHOW FRONT

The picture in the upper right corner is the first to be printed of "Charlie Chan," the Chinese machine-gunner who held back the Japanese at the corner of North Honan Road during the Sino-Japanese conflict. Of course, "Charlie Chan" was only a nickname which the American and British troops gave this brave Chinese soldier, who did so much to prevent the Japanese from occupying the Shanghai North railway station. His real name is Ding Tin-hui and he is a native of the Yangkiang district of Kwangtung province. He joined the 19th Route Army as an ordinary soldier in the 5th Regiment, 120th Brigade of the 60th Division and was assigned to the machine-gun squad. In recognition of his bravery in defending the North Station during the war he was promoted to Squad Commander. In a recent conversation with *The Review's* correspondent at Soochow, "Charlie Chan" confirmed the reports which were circulated by the American and British troops that he smoked cigarettes in a long ivory holder and played a gramophone while operating his machine gun against the Japanese marines entrenched on the opposite side of the street. He also confirmed the report that his assistant had been killed and that he crawled out at night and rescued the body and rifle.

The picture in the upper left corner is another and equally-brave Chinese machine-gunner on the Chinese front at Taitsang.

The trench picture in the lower left corner was taken somewhere along the Chinese front which stretches from Soochow creek to the Yangtsze.

The smiling officer in the lower right corner is Gen. Ou Shou-lien, Commander of the 78th Division of the 19th Route Army, who was largely responsible for holding the Woosung Forts against the combined land, naval and air-attack of the Japanese, which extended over a period of more than one month.

National Defence Bonds Being Issued at Canton

Bonds to the value of $30,000,000, redeemable in two years, are to be issued at Canton, the proceeds to be devoted to "national defence." All the provincial and national revenues collected in Kwangtung will be used as security. All shop-owners and landlords are required to subscribe, as are various public bodies, government offices and Kuomintang organs. The military authorities have assured the public that the money will be exclusively used for purposes of national defence.

U. S. Navy Asks Appropriation of $368,340,000

An appropriation of $368,340,000 for the Navy was provided in the Supply Bill sent to the House of Representatives at Washington April 19. The Bill recommends the withdrawal of the airship *Los Angeles* in view of the completion during January 1933 of her sistership *Macon*. It also makes a provision of $41,000,000 for new warships and the modernization of old ones. In introducing the Bill, Admiral Pratt stated that the naval forces had been cut down to the danger line and no further cuts were possible.

PICTURES SHOWING ARRIVAL OF MRS. ELIZABETH SHORT IN SHANGHAI

The picture at the left shows Mrs. Short and her son Edmund being received by H. O. Tong, Superintendent of Customs, on the Customs jetty upon their arrival here April 19. O.K. Yui, secretary of Mayor Wu of Greater Shanghai, is shown standing next to Mr. Short.

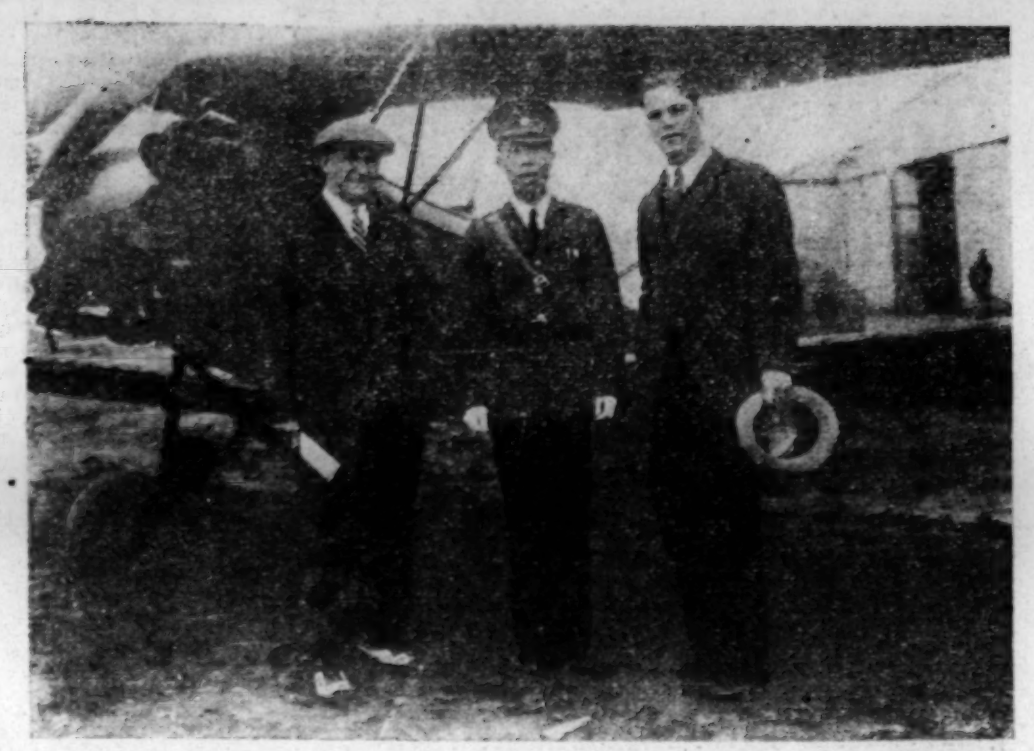
The picture on the right was taken on the launch carrying the passengers from the ship to the jetty. *Left to right*:—Mrs. W. C. Wen,, Mrs. Short, Mrs. L. E. Gale. Only two American women were present at the jetty to welcome Mrs. Short, namely Mrs. L. E. Gale, wife of the manager of the company with which "Bob" Short had been employed, and Mrs. Edna Brush, a cousin of Mrs. Short.

Impressive Burial of Colonel Robert M. Short

THE funeral of the late Colonel Robert McCawley Short, American aviator, which took place in Shanghai, Sunday, April 24 was attended by more people than ever were present at the funeral of any other foreigner in China. A Christian service was held at 2 p.m. at the Moore Memorial Church in Thibet Road, with interment at the Hungjao airdrome where a plot of ground surrounded by shrubbery had been set aside for the grave. The Rev. George Fitch, the general secretary of the Y. M. C. A., presided at the service at the church and also at the graveside. More than a thousand Chinese and foreigners marched in the funeral procession and more than four thousand stood at the graveside. Several tens of thousands of Chinese lined the ten-mile-long route of the funeral cortege. Forty-five motor cars were required to carry the floral tributes, many of them consisting of elaborate replicas of Chinese and American flags. One of the wreaths, consisting entirely of red, white and blue corn flowers, was fashioned in the form of an airplane. Several hundred motorcars carrying high officials of the National Government aviation department and various Ministries followed the first car which carried Mrs. Short, mother of the deceased, and her son Edmund, his brother, both of whom had come from their home in Seattle, Washington, to attend the funeral. The funeral procession, almost a mile long, included three bands, several contingents of Boy Scouts, girl guides, nurses from the local military hospitals, students from local schools, a company of the 19th Route Army and a group of Chinese postal carriers.

In the forenoon a service was held by Shanghai Chapter, Rose Croix, at the American Masonic Temple and also another service by the Scottish Rite Master Masons at the parlors of the International Funeral Directors in Kaiochow road, where Colonel Short's body had reposed in state in an expensive coffin from the time it had been brought here from Soochow up to the time of the funeral. The coffin was later

removed to the Moore Memorial Church, where, banked high with floral tributes, it reposed during a service which lasted approximately an hour. Mrs. Short and her son were attended by Mrs. Frank Lee, Mrs. T. C. Wen, Mrs. L. E. Gale and Mrs. George Fitch. Over the pulpit was a cloth emblem bearing the inscription, "Colonel Robert Short Memorial Service." Many foreigners, including Americans, were present. Chinese officials at the door inspected the credentials of those seeking admittance to the church. Chinese Boy Scouts acted as ushers. Prominent among those in attendance was Colonel J. L. Huang, general secretary of the Officers Moral Endeavor Association, who conveyed to Mrs. Short condolences from General Chiang Kai-shek. H. O. Tong, chairman of the memorial committee, together with other members of the committee, occupied seats to the rear of the pulpit.



Lieut. Robert McCawley Short, brave American aviator, who singlehanded attacked six Japanese war-planes and was killed in a thrilling air-battle over Soochow on Feb. 22, is shown standing at the right of this picture. In the center is Col. Chen of the Chinese aviation service. On the left is Bert Hall, another American aviator who has served as an instructor in the Chinese aviation service.

Tributes by Chinese Speakers

Following prayer by Mr. Fitch, Loy Chang, of the Ministry of Finance, in a brief address paid a glowing tribute to the services which the late Mr. Short had rendered to the Chinese nation. In the course of his remarks, Mr. Loy said: "Robert Short was the flaming torch of the legion of justice that in all parts of the world, vigilantly awaits the signal to mobilize for the defense of that which humanity wills shall be preserved. That torch has been extinguished, but it has already radiated its light of warning to a world of men, without distinction as to race, creed or color, who cherish the ideal of an international peace that shall be sustained on the sole basis of justice. In a cause which sane men are determined must ultimately triumph no sacrifice is vain; no immolation is a price too high to pay. For in the final triumph of that cause humanity will progress unimpeded to the achievement of its destiny to peace and happiness."

Judge John C. H. Wu, former Chief Judge of the Shanghai Special District Court, followed with an address, in which he stated that Short's death had sealed America and China into a connection [closer than ever, had promoted the proverbial friendship between the two nations and made it literally into a blood relationship. Judge Wu concluded his remarks by saying: "My friends, may we never forget that Col. Short made the supreme sacrifice for two worthy causes: (1) for the cause of justice and peace on earth, (2) for the cause of friendship between two mighty races. May God bless the gallant Colonel! May our memory of him remain a perennial source of encouragement and inspiration to us in our duty of self-defence and defence of law and order in international relations! May we grow ever stronger in the faith that, in spite of all sorts of hardships and reversals, final victory will be on the side of justice and righteousness!

Eight pallbearers, four Chinese flying cadets in full uniform and four Americans bore the coffin from the church to the hearse. They were: Yu Chen-ping, Tang Su-ching, Lung Yung-shuen and Pang Ching-chong; Vincent Schmidt, H. Hayden and Captains Sellers and Charles Vaughn.

The picture above gives some idea of the huge crowds which assembled during the passing of the Short funeral cortege in Bubbling Well road.

At the service at the graveside Mr. Fitch again offered a prayer, the principal speaker being Mayor Wu of the Greater Shanghai Municipality.

The posthumous rank of Colonel was conferred on Lieutenant Short by the Chinese government, the insignia being presented to Mrs. Short shortly before the funeral by Major General Chang Chih-chung, Commander of the Chinese Fifth Route Army. On making the presentation, General Chang said: "Your good son, Robert, prompted by the good sense of justice and humanity, volunteered in our National Army and fought against the aggressor, Japan, fearing no danger, ready to make the supreme sacrifice. Though he unfortunately met his death before completely realizing his ambition, he already has won the gratitude of my countrymen and the praise and sympathy of the whole world. His glory, honor and spirit will live forever. I wish to express to you my heartfelt sympathy in your great loss."

IN THE UNITED STATES COURT FOR CHINA

In re.

Estate of ROBERT McCAULEY SHORT Deceased

Cause No. 3431

Special Proceedings No. 777

NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Robert McCauley Short, deceased, to present the same with vouchers to the undersigned on or before October 9th, 1932, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China, March 31, 1932.

James B. Davies,
c/o Schuhl, Davies & N. E. Lurton,
141 Szechuen Road,
Shanghai.

In the United States Court for China

In re. Estate of HENRY BULLITT RAUTERBERG Deceased

Cause No. 3438

Special Proceedings No. 780

NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Henry Bullitt Rauterberg, deceased, to present the same with vouchers to the undersigned on or before October 16th 1932, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China.
April 6, 1932.

H. G. FREEMAN Jr.
c/o Tobacco Trading Corp.
74 Szechuen Road
Shanghai.

Numerous similar messages were sent to Mrs. Short by high Chinese officials, including Wang Ching-wei, chairman of the Executive Yuan, Gen. Chiang Kai-shek head of the Military Yuan and others, including Chinese public organizations in all parts of the country.

Japanese Jeer at Mrs. Short

While Mrs. Short has received high honors from all classes of the Chinese, her arrival in Japan on her way to China produced a contrary effect at both Yokohama and Kobe where the ship docked enroute to China. At both places Mrs. Short was prevented from going ashore by a mob of Japanese who hooted and jeered and criticised her for the part her son had played in the Soochow air-battle. The Japanese mob at Yokohama was estimated at 1,500 while more than 3,000 Japanese participated in the demonstration against Mrs. Short while the boat was anchored at Kobe. Upon the advice of the ship's officers, Mrs Short and her son remained in their cabins which the ship was in Japanese waters.

It will be remembered that Lieut. Short lost his life at Soochow February 22, when he single-handed in a small plane engaged on behalf of the Chinese six or more Japanese planes. The Chinese government in appreciation of his services sent to his mother, shortly after Short's death was confirmed, $10,000 gold. Later the 19th Route Army sent $1,500 gold. A fund is now being raised for the purpose of erecting a suitable memorial at Hungjao.

Criminals in India Make Way for Political Prisoners

Hundreds of prisoners convicted of criminal offences are being released from the prisons by the Bombay Government before serving their full terms owing to congestion caused by the recent influx of political prisoners, according to recent advices from Poona. Long term prisoners with good records are being given preference. Many of those released have served only half their sentence. Release is unconditional and the men have free railway passes to their home given them on leaving prison. In four days also 350 prisoners were released from Yeravda gaol alone.

Northwest Council Inaugurated at Peshawar

Picturesque scenes were witnessed in Peshawar—the "Gateway of India," recently, when the viceroy, Lord Willingdon, formally inaugurated the Legislative Council for the Northwest Frontier Province. The viceroy announced the suspension for a year of the operation of the Frontier Crimes Regulation for the trial of criminal cases by a reference to the Council of Elders. He also foreshadowed other modifications of the regulation, but uttered a solemn warning regarding the consequences liable to follow a continuance of the intimidation of electors.

Prominent Indians Arrested for Leaving Bombay

Mrs. Sarojini Naidu, Indian poetress who is a graduate of Girton College, Cambridge, was arrested at Bombay April 22 for defying a police order not to leave Bombay for Delhi. She was later sentenced to a year's simple imprisonment.

Pandit Malaviya, president-designate of the forthcoming session of the Indian National Congress at new Delhi was arrested April 23 because he entered Delhi despite the fact that he had been ordered not to come to the city.

Chinese Detective Assassinated in Shanghai French Concession

Detective Inspector Vong Ping of the Shanghai and Woosung Gendarmerie, was assassinated in the French Concession, April 22, under circumstances which indicate that he was the victim of Red agents. He had on numerous occasions appeared in the First Special District Court of the Settlement and the Second Special District Court of the French Concession and the local high courts to ask for the extradition of radicals to the Extra-Settlement and military authorities for trial. The deceased had successfully investigated many political cases and had arrested a number of prominent communists. While the deceased was riding in a ricsha of the corner of Route Vouillemont and Route Alegre, two Chinese suddenly dashed in front of the vehicle fired three shots, two at the inspector and one at the ricsha coolie. Inspector Vong received two wounds in the head, collapsed on the road and died almost immediately. The assassins fled and no trace has been found of them.

Noulens Communist Trial to Start Soon at Soochow

A recent *United Press* telegram from Nanking stated that formal trial of the alleged Communist couple arrested many months ago in Shanghai under the names of "Mr. and Mrs. Noulens" is expected to start shortly.

The *Central Daily News*, official government organ, states that the Supreme Court at Nanking has forwarded full instructions in the matter to the Kiangsu Higher Court at Soochow and has made public the complete text of its investigation of the case.

In this report of its investigations which has been transmitted to the Soochow court the Supreme Court alleges that the two prisoners who were arrested by Municipal Police at 49 Nanking Road on June 15 last year were actively connected with Chinese communists in Hunan and Kiangsi and with the Chinese communist Hsiang Chung-fa who was recently executed in Shanghai.

One charge preferred against the Noulens will be that of plotting to overthrow the present government. Should the court find the two guilty of this charge it will be entitled to pass a sentence of death.

The Noulens case originated in Singapore, continues the Nanking Supreme Court statement. The British authorities there informed the Municipal Police in Shanghai of certain Communist activities. Subsequently the police here discovered that Post Office box 205 was being used.

Later it was discovered that the Noulens were using Room 30c at 59 Nanking Road, Here it was that Noulens was arrested on June 15. A search of this room led to the discovery of the use by Noulens and the woman known as Mrs. Noulens of a house on Hart Road and another on Yu Yuen Road. Both houes were searched but no incriminating documents found.

Noulens and his alleged wife were first taken before the Military Court for trial, but this tribunal ruled it had no jurisdiction over the case, as the defendants had not been taken in martial law area and the prisoners were accordingly handed over to the Ministry of Justice.

The Supreme Court at Nanking gives in support of the charges preferred against the Noulens the fact that almost 90 percent of the documents found at Room 30c at 49 Nanking Road related to communistic activities.

These documents relate to communistic activities in the Philippines, Malaya, Korea, India, Annam and Japan, as well as in China. The seizures relating to China are divided into three classes: Chinese communist reports to headquarters, instructions from the Third International to Chinese communists, and documents relating to the organizing of a Red Army and starting agitations among Chinese laborers and peasants.

From this it was established that 49 Nanking Road was the headquarters of the Third International in China. On this fact the Supreme Court bases its charge that Noulens was the chief of the Third International in China.

Noulens argued that the room at 49 Nanking Road was used by a student named Alex, to whom all the documents seized had belonged. Police investigation revealed that at various times Noulens had himself gone under the name of Alex.

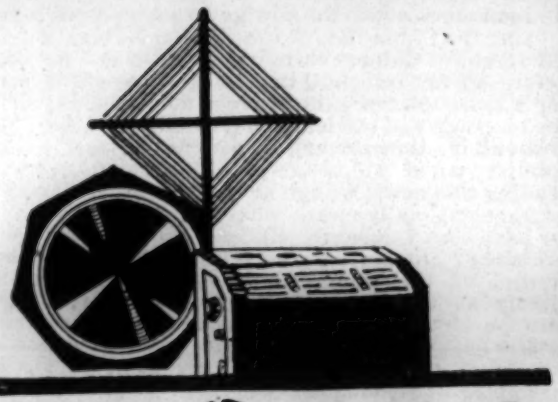
Whether Mrs. Noulens is the wife of the man known as Noulens or not, the Supreme Court believes she is connected with the activities seeking the overthrow of the government.

A "National Defence" Savings Society

An ambitious scheme has been drawn up by various civic organizations in Shanghai calling for the organization of a savings society, to be known as the "Greater Shanghai Citizens Self-Defence Savings Society," whose object will be to accumulate reserve funds for the carrying out of measures relative to national defence and preservation of local peace and order.

The scheme provides for three different kinds of savings, namely, (1) business savings, whereby a business organization shall contribute from 2 to 20 per mille of its earnings as savings, (2) income savings, whereby persons having regular income shall contribute 2 to 10 per cent. of their monthly incomes as savings, and (3) voluntary savings whereby individuals or organizations may make voluntary contributions of any amount.

ALL WAVE
RADIO APPARATUS



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The Failure of a Government Enterprise

BY PAUL K. WHANG (汪仲芳)

IN the vernacular press of the past few weeks, we have read much about the new government move in rehabilitating the China Merchants' Steam Navigation Company, the foremost Chinese shipping enterprise. As many times before, we are informed that the government is contemplating a thorough reorganization of the Company by introducing economy and efficiency to its administration, by cutting down all its unnecessary expenditures, and by seeking a foreign loan of $10,000,000 to finance its operations. In reading this news, we can not help wondering whether the government really means what it says, because in the past we have been frequently disillusioned by such government promises. During the past four years of the government control of the Company, the public has been watching closely at the going-ons of the Company, but, to their disappointment, they have only found that its state of affairs has been actually going from bad to worse. A brief survey of the government management of the Company will bring us home to the fact that the government has no longer any reason to retain the control of the Company after four unsuccessful years of its management.

In the spring of 1928, the government on the alleged reason of rehabilitating the Company, took over its control from the stockholders, and appointed T. C. Chao as its managing director and Wang Pao-chun, the then Minister of Communications, as its supervisor, thereby putting the Company under the supervision of the Ministry of Communications. Later, for some reason or other, with the abolition of the supervisor's office, the Company was made directly responsible to the State Council, and the name of managing director was changed to that of commissioner. The commissioner, having been conferred by the government with special powers, had a "free hand" in carrying out the plan of reorganization. Mr. Chao retained his office for two and half years until he met his tragic death in July, 1930. Being an official, he was no equal to the task before him, and left the Company in a worse shape than before. During his regime, the expenditure of the Company was very much increased by the creation of superfluous offices and sinecure positions for his political friends, and the administration was featured with inefficiency and evil practices by the appointment of unqualified men in responsible positions. His successor was another official named C. K. Li, whose administration proved even worse by introducing bureaucratic system into the Company, and turning it into a political institution. Though his administration lasted a little more than nine months, he caused a great loss to the Company by piling up unnecessary expenses. It was purely due to the maladministration of these officials that four of the best ships of the Company went to the bottom of the sea successively one after another during a short span of three years.

Many Changes in Management

Having realized that the administration of the Company could no longer be trusted in the hands of any official, the government next turned its attention to the business men, and appointed Koh Wei-fung to succeed Mr. Li last May. Being a business man, Mr. Koh, upon his assumption of his office, immediately pursued a retrenchment policy and successfully within a short time slashed off the expenditure by the no small amount of $50,000 or more a month. In order to increase the volume of business, he, in spite of the financial difficulties, managed to purchase two cargo boats and ordered two new ones. He would have been successful in putting the Company on its feet once again, if he could have worked without any hindrance. But domestic disturbance, Yangtse flood, Japanese invasion, and, last but not least, labor trouble, all contributed to upset his well-arranged plan of reorganization. In face of these unfavorable conditions he had no alternative but to resign from his office without the realization of his dream. His resignation left a gap which could hardly be filled up with a man as well qualified and capable as he. Moreover, all the responsible business men, who had any knowledge of the Company, would not readily accept the government appointment. Thus since Mr. Koh's resignation in January, the Company was left without a head for three months. At last, the government decided to have the Company once again placed under the supervision of the Ministry of Communications, and appointed Marquis Li as its general manager and Chen Fu-moh, the vice-Minister of Communication, as its supervisor.

The appointment of Marquis Li has caused many interesting comments as to the future status of the Company, because the new manager is one of its big stockholders and has been the chairman of its board of directors for many years. Many people are under the impression that the Company has once again regained its private status. Whatever may be said as to the future status of the Company, that it is still a government enterprise is a matter of certainty, because Marquis Li owed his appointment to the government. It may be recalled that when the government first took control of the Company, it promised to turn it back to the stockholders after reorganization was effected. But now after four long years of trial, the government can claim no achievement to its credit, and therefore it has no longer any excuse for retaining control. Therefore the present government gesture can be interpreted as an admission on the part of the government of its failure in reorganizing the Company, and its readiness to return the control to its stockholders.

Baneful Effect of Politics

The failure of government control of China Merchants' has strengthened our belief that government enterprises after all can not be successfully conducted in China. As a matter of fact, the *sine qua non* to the success of any government enterprise is that the administration should be free from any political influence, that the position of administrators should be made permanent irrespective of the frequent change of the government, and that the administrators should be selected from the business circle. But the existing condition does not shed any of these favorable lights, and it is the fashion of the government to award the offices of the government enterprise to the rank and file of officialdom, who may be skillful in playing politics and enjoy a good reputation in official circles, but are totally strangers in the business world. Business, in the old days, might be looked upon as a low profession and ranked the last of professions; but modern business is a science, and to be a successful business man, one needs farsightedness, experience, and scientific knowledge. No official, who is accustomed to an easy way of life and has not even the knowledge of running a small exchange shop, is qualified to fill the offices of any government enterprise, which as a business ought to be run on a business basis. As a result, the government enterprise becomes the political ball of the government officials, and its administration is featured with inefficiency and waste. Moreover, the government enterprise is not popular in the business world, which has always looked on it with eyes of suspicion. The money market will be over-cautious in extending it any credit. Thus any government appointees who are entrusted with the work of managing government enterprises are doomed to failure, when the public assumes no friendly attitude towards them, and the government is equally helpless in rendering them any assistance, financial or otherwise.

The Government's Failure

It is true that the founder of our Republic, Dr. Sun Yat-sen, advocated, in his Three People's principles, the nationalization of public utilities. While we have no intention whatsoever to criticize Dr. Sun's principles, we are safe to say that under the present financial stringency with which the government is faced, it is useless to talk about the nationalization of public utilities, when the government has not even the wherewithal to defray the most urgent expenses. For the four years when China Merchants' has been under government control, the government has not granted any subsidies to finance its operations, although it has made profuse promises for its reorganization. Since the government is financially unable to do anything toward the rehabilitation of the Company, it should admit its inability by returning the control of the Company to its stockholders without any hesitation and delay, so that the stockholders can still have a chance to work out its salvation, before the Company drifts further into a hopeless state.

The government has now seemingly admitted its inability, but would not say so openly, to save its face. Thus it has partially returned the control of the Company to its stockholders by appointing the chairman of the board of directors as its new manager. It would be better for all concerned, if the government would outright relinquish its control without pursuing any half-way measure. If the government deems it necessary to look after the operation of the shipping business for promoting the welfare of the general public, it can adequately fulfill this purpose by appointing a supervisor to supervise the works. In this connection, it is of interest to learn from the newspapers that China Merchants' under the new management is going to set up a supervisor's office, which will be composed of two departments and a secretariat. That this over-expanded

office will constitute a heavy burden to the already bankrupted Company goes without saying. While the government has said much about the need of economy in running the Company, we are perfectly at a loss to know how economy can be effected if such a superfluous office is created.

In a word, business and politics are two separate things just as water and oil. If they are mixed up, the admixture will become neither water nor oil. Likewise any govenment or semi-government enterprises will be turned into neither political institutions nor business houses. If the government is really interested in the fate of China Merchants', it should give the Company substantial support and supervise its development without the necessity of going so far as to grab the control from its stockholders. But only to make empty promises for the sake of public consumption after having the Company under government management will not contribute any good to the Company, but will only reflect upon the ill-faith of the government,

Shanghai, April 25, 1932.

Japanese Aviator Falls to His Death at Pootung

A Japanese flying lieutenant named Fukui met instantaneous death in an aerial mishap which occurred April 20 at Pootung, opposite Shanghai. A sergeant named Nomura, who was piloting the plane, was badly injured in the face at the same time. Lieutenant Fukui fell out of the cockpit, according to the Japanese version, while the parachute which he carried automatically opened. He was struck by the body of the plane and was killed immediately, falling into Whangpoo river. A Japanese launch recovered his body. The plane was engaged in manoeuvres. The plane was piloted subsequently by Sergeant Nomura, but made a forced landing near Tafufang, Pootung. The machine was seriously damaged and the pilot was injured.

The alighting of the plane in the Pootung neighborhood brought a contingent of policemen of the Bureau of Public Safety to the scene. Meanwhile the Shanghai Office of the Ministry of Foreign Affairs was informed by a secretary of the Japanese Legation of the accident, adding that a band of Japanese soldiers would be despatched to Pootung to have the airplane taken back to the Kundah field.

Samuel H. Chang, Director of the Intelligence and Publicity Department, who received the communication, emphasised that no Japanese soldiers be sent over to Pootung in view of the present situation and misunderstanding which might arise. Further arrangements were, however, made, when the Japanese authorities agreed to send unarmed men and laborers over to the Chinese territory to remove the plane. Headed by a Japanese vice-Consul, the party arrived in Pootung several hours later. In view of the serious damage, the airplane was dissected and its important parts brought back.

U. S. Department of Commerce Office at Mukden Not to Be Closed

With reference to a statement made in *The Review* last week that Julean Arnold, U. S. Commercial Attache, who had proceeded to Mukden, would superintend the closing of the offices of the U. S. Department of Commerce in that city, Miss Viola Smith, Trade Commissioner in Shanghai, writes that there is absolutely no intention to close the Mukden office and that the purpose of Mr. Arnold's visit to that territory is entirely apart from the closure of that branch of the Department's service.

According to an interview given by Mr. Arnold to the *China Press* before he departed from here last week, there was the possibility that American business interests there might quickly be revived and prosper more than they did under the Chinese regime, but on the other hand it was equally possible that American interests in Manchuria may meet the same fate which befell important American business interests in Japan in recent years. Mr. Arnold cited numerous instances of responsible American business interests in Japan, including General Motors and the American Trading Company, being virtually "squeezed out" by regulations and restrictions, high tariffs, etc., purposely imposed by the Japanese government to restrict or eliminate American business activities. The same methods adopted in Japan against American interests, if followed in Manchuria would doubtless have similar results, Mr. Arnold said.

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In the United States Court for China

In re.

Estate of FRANK FERNANDEZ, Deceased

Cause No 3439
Special Proceedings No. 781
NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of FRANK FERNANDEZ, deceased, to present the same with vouchers to the undersigned on or before November 14, 1932, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, April 18, 1932.

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Japanese Commission Reports on Student Thought

THE recommendations drawn up by the special commission of Inquiry into Students Ideas in Japan was made public last week. The full text is as follows:

The special committee attributes the Left tendencies of students to (1) social conditions, (2) tendencies in the worlds of science and thought, (3) defects in education, (4) peculiarities of Marxism, (5) Left movements, (6) mentality of youths, and (7) environment and temperament. As the matter covers a wide field, remedial measures must be correspondingly comprehensive, it thinks. Special efforts must, however, be made in the educational field, as education is intended for the enlightenment of people and the inculation of sound ideas. Endeavors are needed in other directions as well. There must be, for instance, political, administrative and social reforms in such a way as to eliminate the causes of deterioration of ideas. Of the causes enumerated above, the mentality of youths and their environment and temperament must claim the earnest attention of those who are responsible for school, family and social education. Measures to combat Marxism must be considered in conjunctions with those for meeting the tendencies in the worlds of science and thought. From this point of view, the special committee's recommendations deal specifically with measures to be taken to meet social conditions, tendencies in the worlds of science and thought, education and Left movements.

Hint to Capitalists

The social conditions must be improved by the reform of the political and economic systems and organizations, by their better operation and by the cultivation of a sound national spirit. The fundamental need is the correct behavior and awakening on the part of the leaders of society. It is incumbent on statesmen and capitalists to keep the best interests of the State and the public constantly in view of the discharge of their public duties, so that they can prove themselves worthy of the models of the people. The people at large must at the same time have sufficient awakening as a constitutional self-governing people, fully awake to many evils of the times. It is especially necessary for them to discard the idea of attaching too much importance to material gain and to check the tendency to use coercion by weight of numbers. Special care should be used to foster equitable and moderate mentality. To the abovementioned end, the following measures may be recommended:—

1.—To enhance public confidence in the parliamentary system by eliminating election evils and increasing the efficiency of the Legislature.

2.—To encourage a strong sense of duty in the transaction of public business, to elevate political morals, and to ensure fairness in administration.

3.—To remove the insecurity of living of people with little or no property by the pursuit of such social policy as is suitable for the peculiar national conditions, and to raise the standards of living for all by a pertinent industrial policy.

4.—To secure a fair incidence of economic burdens on all classes of people, while urging the awakening of millionaires and propertied classes, in view of the changes of the times.

5.—To provide organs for the purpose of helping schools graduates to secure proper employment.

6.—To establish or subsidise institutions aiming at political education and training.

7.—To diffuse political training by utilising every opportunity that offers in order to inculcate the constitutional and self-governing spirit.

8.—To take stern measures to suppress organized actions to attain illegal ends.

9.—To make the objects of Communist movements and the unjust and illegal methods used by such movements widely known to the people either by lectures or by printed matter, so as to warn them against Communism.

Imitating the Foreigner

The recommendations proceed to discuss the correction of the evil tendencies in the worlds of thought and science. It is contended that the outstanding tendency in the Japanese world of thought and science to-day is to imitate foreign civilization slavishly. In their morbit hankering after novelty, thinkers and scholars are apt to neglect the spiritual culture peculiar to Japan. Again, too much importance is attached to the natural science point of view to pay the necessary atention to the idealistic viewpoint. There is thus a gradual growth of the tendency to over-rate materialism. The result is an instability and inactivity of thoughts and learning, which has led to the prevalence of radical ideas. The most important thing for the worlds of thought and science to-day is, therefore, to awaken to the characteristic nature of Japan, to enunciate the concept of the national polity, to encourage the study of the peculiar culture of the country and to stress idealism. By this means, efforts must be made to create ideas and culture of Japan's own and to establish the guiding principles of national life, at the same time promoting a critical study of foreign ideas, Marxism in particular. The results of these researches must be widely known to the people. It is also important that the study of sound literature should be encouraged and that the Press should be led to comment on all problems in the right tone and to print proper articles.

As the concrete measures for attaining the abovementioned aims the special committee recommends:—

1.—To establish a powerful organ of study with the object of enunciating the principles of the national polity and the national spirit, vindicating the national culture, criticising imported ideas and founding a theory which can counteract Marxism.

2.—To give encouragement funds to students of spiritual culture agreeable to the times, and to encourage the publication of such literature as is valuable for the guidance of ideas.

3.—To encourage the cultivation of religious sentiment so as to help the moulding of personality and the fostering of the national spirit.

4.—To give the public a healthy outlook on life and society by means of novels, music, plays, films and broadcasting.

5.—To see that the newspapers and magazines help to form just and moderate public opinion by the news they print and just comments they make on matters.

The special committee's recommendations further deal with the question of educational reform and the prevention of students' radical movements at length.

Unknown Station Near Osaka Broadcasts Red Propaganda

The *Osaka Mainichi* of April 17 says the authorities of Osaka Prefecture, Japan, were busy last week trying to locate a secret broadcasting station in the vicinity of Osaka, as the technicians at JOBK listening in on their receiving sets after the close of the daily program were surprised to hear an unknown station on the air. It was well after 10 p.m., the closing hour for all the radio stations in Japan proper. The voice from the station announced, "We shall now have our program of special lectures," and for several minutes broadcasted radical propaganda and statements attacking the policies of the Government in regard to the Manchurian and Shanghai Emergencies.

Revised Rules for Military Advisory Council

An official mandate was issued at Loyang April 18 revising Rules governing the Military Advisory Council. The Rules, which comprise thirteen articles, provide that the Military Advisory Council shall be the highest military advisory organ under the direct control of the National Government. The Council shall have a Chairman and a Vice-Chairman, and from ten to 180 Councillors. Only those who have rendered meritorious services in the Army, Navy and Air Force of the National Government, it is ruled, shall be eligible to councillorship of the Military Advisory Council. The Rules also provide for the establishment of various Research Committees to conduct research work on diverse military problems. Each of the Committees, it is provided, shall have a convener appointed from among the Councillors of the Council by the Chairman.

$120 Paid by U. S. Marines for Damage Done to Japanese Property

The incident in which two U. S. marines figured recently in front of a Japanese tailor shop on Morrison Road, Shanghai, was settled April 22 when an officer of the Marines called at the Japanese Consular police office and paid $120 as indemnity for damages done to a motorcycle and to window panes in the tailor shop. Settlement was reached in the presence of Mr. Okumura, legal officer of the Japanese Consular police staff, and Sub-Inspector Sugai of the Hongkew police station.

District Court Challenges Macnaghten's Allegations

C. Wan, registrar of the District Court for the First Special Area in Shanghai, recently issued the following letter controverting statements made by Brig.-Gen. Macnaghten in his speech at the annual meeting of rate-payers (taxpayers).

After reading the criticisms of the Shanghai Special District Court, made by Mr. Macnaghten, retiring chairman of the Shanghai Municipal Council in his report before the annual meeting of foreign tax-payers and published in the newspapers on the fourteenth of this month, one feels that Mr. Macnaghten did not fully understand the power of the court and that the cases he cited in support of his criticims were not quite in agreement with actual facts. In order to clear up any possible misunderstanding on the part of the foreign community, we offer the following explanation:

"In the first place, the question whether the patriotic movement of the people should be prohibited or not comes within the jurisdiction of the executive power with which the court has no right to interfere. We are not aware that there is any law court in any civilized country that can compel the people to buy or refrain from buying goods against their own will. Mr. Macnaghten did not therefore, understand the position of the court when he said that the court was prejudiced toward the anti-Japanese movement.

Independent Discretion

"Furthermore, according to the law of this country cases can be tried only when they are properly brought before the court. Since the 18th of September last year, only three cases with regard to the anti-Japanese movement have been brought before the court by the Municipal Council, and they were all dealt with according to law. Individual opinion might, of course, differ as to what evidence should be relied upon and what reasons applied in the particular case, but admittedly the court had independent discretion in all these matters.

"If the judgment was thought wrong, the party dissatisfied could have the remedy of appeal. How then, can it be said that the court was prejudiced, merely because subjectively Mr. Macnaghten did not agree with one of its judgments? Besides these three cases, there were no other cases in connection with the anti-Japanese movement brought before the court either by the Municipal Council or by private individuals.

Temple of Heaven Incident

"In Mr. Macnaghten's report it was further alleged that Japanese goods to the value more than $600,000, and belonging to Chinese, were feloniously seized, a considerable part of which were sold and the proceeds criminally appropriated and that a large number of the so-called traitorous Chinese were illegally arrested and detained in the Temple of Heaven and other places. But the court was never called upon to decide these matters and so we are not in a position to say whether the alleged offences ever happened or not. So far as responsibility is concerned, it should be mentioned that the power of the procurators is by the terms of the Agreement confined to offences provided from Articles 103 to 186 of the criminal code.

"That being the case, and assuming the alleged seizure of goods and illegal arrests were true, the responsibility to bring charges did not lie with the procurators. Now that Mr. Macnaghten blamed the court for having turned a blind eye and deaf ear clearly shows that he did not understand the powers of the court. The further statement that the attitude of the court with regard to offences connected with the Japanese boycott and other activities was undoubtedly one of the contributory factors in the accumulative causes which led to actual warfare between the Chinese and Japanese military authorities is nothing but misunderstanding.

No Specific Facts

"In the second place, it should be noticed also, that the number of civil cases received by the court greatly exceeds that in the former Provisional Court, and the procedure thereof has also become far more complicated. Since President Chau assumed office, great efforts have been made toward improvement of the court. As to the general dissatisfaction with the court also mentioned in Mr. Macnaghen's report, no specific facts were alleged and so no more explanation is necessary.

"The foregoing statements have great bearing upon the prestige of the Court, and we hope that they will be duly published in your papers."

SINCE the International Telephone & Telegraph Corporation acquired the local telephone system in August, 1930, Shanghai Telephone Company has been engaged in the execution of a large construction programme as a result of which it will be better able to take care of the growing telephone requirements of the community.

The erection of 6 new buildings to house the modern automatic equipment and the construction of new outside plant, more extensive than the old, will contribute to make your telephone service more valuable and dependable.

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An Offer

(*From the Shanghai Evening Post, April 23*)

The *Canton Daily Sun* in its issue of April 17 devotes a column to a vehement appeal for exercise of the postal ban against The *Far Eastern Review* in Shanghai, and by inference includes *The Shaughai Times* and *The China Digest* in its suggestion for action. Despite our known and often repeated frequent disagreement with the editorial views expressed in each of these three Shanghai publications, we believe the suggestion made by the *Canton Daily Sun* is most unfortunate, to put it mildly. Let us examine the charges made by the *Canton Daily Sun* against the three Shanghai publications which have been to the forefront in explaining and defending Japan's actions in the past few months. Not all of the charges, for several of the statements would require more proof by far than we have seen, to make them subject to further public circulation.

The *Canton Daily Sun* says that Japan is "able to count among her faithful mouthpieces at least one English language daily, and this credit by unanimous consent of the Chinese community in Shanghai is reserved for The *Shanghai Times*, owned by a Britisher, N. E. A. Nottingham, who, it is well known, would not have been where he is today but for the liberal gestures of Japanese bankers and financiers."

Even if this charge were true it would not present any sound reason for denying this publication circulation through the mails, and it is extremely doubtful if the suggestion can be taken at its face value.

Substitute the word "Chinese" for Japanese, and the statement could, at least with equal fairness, be made against the *Canton Daily Sun* itself. Assuredly certain Chinese funds are at the disposal of the Canton newspaper, and much if not most of its revenue must be derived from Chinese sources. Nor is it a fair conclusion that Chinese opinion in Shanghai is unanimous in crediting *The Shanghai Times* with being a Japanese mouthpiece. There are several Chinese who believe sincerely that *The Shanghai Times* is an earnest friend of the Chinese people. The *Canton Daily Sun* also calls attention to Carroll Lunt's weekly publication, *The China Digest*, saying it might "more appropriately be named *Japan's Digest in China*. It is pro-Japanese but awkwardly so."

As with the *Times*, no direct plea is made for disbarment from the mails of *The China Digest*, but the inference that this action is desired by the Canton newspaper is fair because of the coupling of its complaint against the *Times* and the *Digest*, with The *Far Eastern Review*, the chief subject of attack. It the *China Digest*, for instance, were really "pro-Japanese but awkwardly so," what possible gain could there be in barring it from the mails in China?

The *Far Eastern Review* comes in for a large section of the *Canton Daily Sun's* attention. Here again its case for imposing a postal ban is weak indeed.

It points out that *The Far Eastern Review*, edited by George Bronson Rea, has been extremely critical of China in recent years, but that several years ago, when Mr. Rea was the owner but not then acting as editor, *The Far Eastern Review* was most outspoken in its criticism of Japan.

It speaks of advertisements in *The Far Eastern Review* from Japanese companies as contributing to the support of the magazine, and closes with this appeal:

"The time has come for the Chinese Government to apply the brake—Uncle Sam will hardly regret it—and put *The Far Eastern Review* under the postal ban."

Now, as we have explained, *The Shanghai Evening Post and Mercury* has found itself at variance, sometimes violently so, with expressions in each of these three publications, and probably will in the future.

But it is a cardinal principle that no opinion is effective unless it is founded in an economic or political verity.

We do not for a moment defend the opinions of these three journals in Shanghai, but we do and will defend their right to express those opinions without the imposition of silly, oppressive restrictions.

If these journals serve no fundamentally useful purpose they will pass out of existence naturally, easily, and without the application of force. If their arguments are unsound, they will, by and large, answer themselves. If they are not, then they deserve to live.

The only effective method of answering propaganda is proof that the evils complained of do not exist; and correction of those which do exist.

A postal ban against *The Shanghai Times*, *The China Digest* and *The Far Eastern Review* is, to us, as stupid as a postal ban against, say, the *Canton Sun* in Japan, or the *China Weekly Review* in the Dutch East Indies. [The reason for which never has been explained, either officially or unofficially.—Ed. *C. W. R.*]

The *Shanghai Evening Post and Mercury* has suffered itself from a postal ban applied in Shanghai as a means of attempting to bring pressure upon the newspaper.

From its own experience, it can state positively that no postal ban ever accomplishes its intended purpose, and that its restrictions are seldom, if ever, equitable or just.

If the opinions of these journals are untrue, they should be answered, not suppressed. If they are true, no good purpose is served by any attempt to throttle them.

And finally, the imposition of a postal ban would be directly contrary to the provisions of the Chinese constitution, which permits freedom of speech to the people and freedom of expression to publications.

All China has decried the closing of the organs of the Kuomintang, despite the fact that many believed the Kuomintang newspapers exceeded the limits of good taste; it was the ruthless application of force without regard to right, which was offensive.

In the same way, ruthless imposition of a postal ban against journals called unfriendly to China is subject to the same criticism.

And with these things in mind, we make, in all seriousness, the following offer to George Bronson Rea, N. E. A. Nottingham, and Carroll Lunt, proprietors respectively of *The Far Eastern Review*, *The Shanghai Times*, and *The China Digest:*

> If the postal ban is imposed upon any or all of them, we hereby tender them free space in *The Shanghai Evening Post* and Mercury for the expression of their views, which we believe in advance will be at variance with our own. And we will allot to each, for the period of the ban, an equal amount of space for the expression of their views, to that reserved in their own publications for that use. We believe that any opinion, no matter by whom or what inspired, is effective only in ratio to the basic truth which it holds. We believe, not in suppression of all opinion but our own, but in full expression to a variety of viewpoints, in order that informed readers may make their individual decisions unhampered.
>
> And to that end we pledge free space in our own columns to the proprietors of the three Shanghai publications which are probably more critical of our viewpoint than any three others in existence.

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The Shanghai Times, in an editorial April 26, in reply to the above, stated among other things:

"With regard to the Shanghai crisis, we have sincerely deplored it, and we have tried to say nothing that would heighten feeling or prolong the tension. If we have sought to give advice, it has been essentially pro-Shanghai. And in looking at the position to-day we can see no hope for improvement until Japan's minimum conditions are complied with. It is not pro-Japanese to say that; it is simply to recognize realities."

"With regard to Japanese action in Manchuria we have pleaded justification because, through a study of the history of Japanese interests there, and the provocative contempt with which they had been treated, we had sympathy with Japan in the attempt she made to right long-suffered wrongs. We should have had sympathy with China had the positions been reversed."

Hongkew Chinese Want Three Months' Rents and Taxes Remitted

Following the termination of the hostilities in Shanghai, most of the foreign landlords informed their tenants both foreign and Chinese in Hongkew that because of the fact that for approximately two months the premises were uninhabitable or inhabitable only under great difficulties they would remit the rents for the two months of February and March. The Chinese of that district in the meantime started an agitation for the remission of taxes on the plea that they had not been receiving the protecttion from the Municiapal Council to which they were entitled. Several weeks ago the Municipal Council announced that they would not collect taxes in the Hongkew district for two weeks. Now however the Chinese in that area have commenced an agitation to be exempted from both rents and from taxes for three months.

No Hope for Return of Missing Vice Principal

All hope has been abandoned for the return of D. C. Tsao, vice-principal of the Second Middle School in Shanghai, a branch of Soochow University, who was reported forcibly seized by Japanese bluejackets and plainclothes men Sunday morning, January 31. Mr. Tsao is said to have been captured at the entrance to the school on Quinsan Road while calling to a servant.

In a formal report presented to the board of trustees of Soochow University on April 18, by a committee consisting of Bishop Paul B. Keren, Dr. J. W. Cline, Dr. J. C. Hawk, and Reverend S. R. Anderson, it was said that the seizure of Vice-Principal Tsao was witnessed by Reverend M. T. Chow and Chang Chung Loong, an employee of the Allen Memorial Church.

The report contains an account of the questions and answers between the members of the committee and two Japanese navel officers, of which the following are extracts:—

"Did you give orders that anyone who might go to the school premises should be arrested?—Orders were given that snipers should not be allowed to enter the premises; and naturally any Chinese seeking to enter the school might have been regarded as a suspect. The marine forces naturally could not tell."

"Is it possible that the marines and plain-clothes men who arrested Mr. Tsao might have shot him without taking him to the headquarters?—The marines had strict orders not to take the law into their hands, unless there should be any offensive manners against the marines. He (meaning Mr. Tsao) might have been killed in the street fighting that took place at that time on Chapoo Road.

"Could Mr. Tsao possibly still be among any persons still being held? And could we be permitted to see such persons in the interest of trying to find Mr. Tsao?—All persons taken between January 28 and February 6 who were still held in custody were turned over to the Municipal Council on February 6. We turned over 65 of them on that date and others pevious to that date.

"Are there any records of those who were executed?—We had not time to make records. The Americans and British do not really understand our mental condition at that time with 2,000 snipers all around us."

Germany's Payments on Account of Reparations

The German Chamber of Commerce in Shanghai is distributing copies of a recent statement issued by Wolff's Telegraph Bureau giving details of payments actually made by Germany on reparations account up to June 30, 1931. It is pointed out that Germany's reparation performance cannot be measured by the amounts credited her by the Reparation Commission. Whereas credits for payments made under the Dawes Plan were recorded by the Agent General for Reparations and by the Bank for International Settlements in accordance with universally recognized accounting-methods, such sums as have been placed to Germany's credit by the Reparation Commission, were based on the arbitrary provisions of the Treaty of Versailles. For large categories of German performances the Reparation Commission allowed no credit at all or credit was not given to the full extent of values actually delivered. Moreover with the coming into force of the Young plan the accounts of the Reparation Commission were closed without being brought up to date. For instance no accounting has ever been rendered for one of the very largest items *i.e.* the value of the German property liquidated abroad.

Japanese Fail to Win Moral Support in Manchuria

Writing from Mukden, Pat McGrady, *China Press* staff correspondent, discussing the situation in Manchuria says the undercurrent of dissatisfaction among the Chinese in Far Eastern provinces is the stronger for the prevailing impression that vanquishment has not been thorough and decisively won but rather is the tentative product of a force that has taken by surprise and overcome a stronger napping force, the latter having lost but little of its potential effectiveness by resultant temporary helplessness. Failure of the conquerors to follow up their initial advantage by winning the moral support of the conquered through such coquetries and favors as a sporting winner may bestow on a loser further irritates the current dissatisfaction in Manchuria and increased the desire of the losers for a return engagement, Mr. McGrady says.

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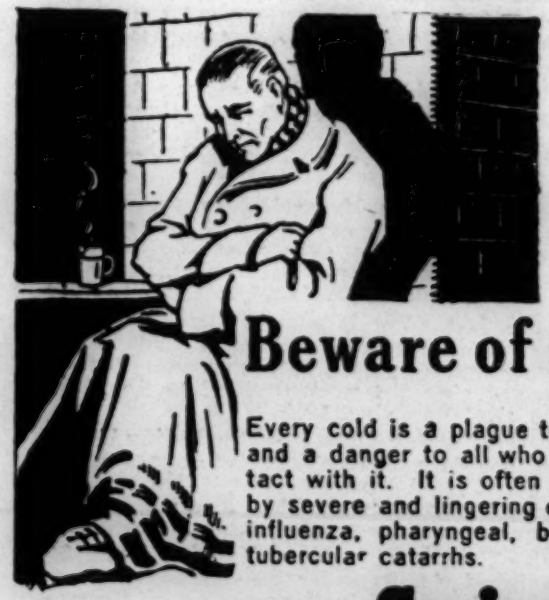

Beware of Colds

Every cold is a plague to the sufferer and a danger to all who come in contact with it. It is often accompanied by severe and lingering diseases, e. g. influenza, pharyngeal, bronchial and tubercular catarrhs.

Take **Guaiacose**

It relieves all troubles, quickly removes the cold, strengthens the organism and makes it more resistant to infection.

Taken in time, GUAIACOSE protects against colds and their sequelæ.

Men and Events

Tomeo Sagoya, the assassin of the late Premier Yuko Hamaguchi, was sentenced to death by the Tokyo District Court April 22.

Travelling by air, General Chang Hui-chang, Commander of the Kwangtung Air Force flew from Shanghai to Nanking April 20.

A recent telegram from Kobe noted the fact that General Semenoff, who had been living in Japan for several years, had proceeded to Dairen.

Mr. and Mrs. A. Strok of Shanghai have announced the engagement of their daughters, Luba to Joel Rosenfeld of New York, and Lydia, to Robert Modlin also of New York.

Three men who were identified as having been connected with the shooting of a police officer in Weihaiwei, Shantung province, two weeks ago, were arrested in Chefoo April 22.

T. V. Soong, Minister of Finance, and Chen Kung-po, Minister of Industries, conferred in Shanghai during the week on measures designed to aid the Chinese silk industry.

Herr Fischer, Charge d'Affaires of the German Legation at Peiping, visited Nanking during the week to confer with the Government regarding certain Sino-German industrial plans.

Edward Taylor Scott, editor of the *Manchester Guardian*, lost his life by drowning, as the result of the capsizing of a small boat in Lake Windermere, England, April 22. He was 49 years of age.

The death occurred in Shanghai April 23 of the Rev. R. E. Chambers, one of the veteran missionaries in China of the Southern Baptists. He was the founder of the China Baptist Publication Society.

A large quantity of opium smoking and gambing paraphernalia which had been confiscated by the Second Special District Court in the Shanghai French Concession during the past six months was publicly burned April 21.

Dr. M. T. Z. Tyau, former director of the Intelligence and Publicity Department of the Ministry of Foreign Affairs, has returned to Shanghai from a trip to Amoy. Dr. Tyau is residing with relatives at 738 Yu Yuen Road.

With the exception of the mills owned by the Tokwa Cotton Spinning Company in Yangtzepoo, all of the Japanese cotton mills in Shanghai resumed operations April 26, with about 60% (25,000 out of 42,254) of the workers back at work.

Dr. H. F. MacNair addressed the American Association of University Women on the Manchurian situation at a dinner given at the American Women's Club, Thursday, April 28. Dr. MacNair recently returned from an extensive trip in Manchuria.

The remains of the late Major Noboru Kuga, who committed suicide following his capture by Chinese soldiers during the recent hostilities near Shanghai together with those of eight other soldiers, were sent to Japan by the s.s. *Mikasa Maru*, April 22.

Owing to the fact there is now in Shanghai about $206,000,000 in silver dollars and more than $90,000,000 in sycee, with further supplies expected, the exchange between taels and dollars during the week dropped to Tls 70.20 equals Mex $100, the lowest since 1912.

Roger S. Greene, acting director of the Peking Union Medical College, and Mrs. Greene departed from Peiping last week for the United States on leave. Mr. Greene expects to be away for four months, but Mrs. Greene will remain in America a month or two longer.

The Executive Yuan at a meeting at Nanking April 21 appointed a new board of trustees for the administration of the British Boxer Indemnity Refund, consisting of Messrs. J. Heng Liu, Chen Chi-tsai, Calder Marshall, Hughes and T. L. Soong. Their term of office will be for three years.

The Japanese military authorities in the Shanghai area have issued an order prohibiting shooting by sportsmen or by any one else in the area under their control. The order to this effect points out that with sniping going on by Chinese, unpleasant incidents may occur if sportsmen should discharge firearms.

Wang Ching-wei, President of the Executive Yuan, was host at a tiffin at Nanking April 20 to Nelson Johnson, the American Minister, and Mrs. Johnson. Dr. Lo Wen-kan, Minister of Foreign Affairs, was among those present. It is understood that Minister Johnson, who flew to Nanking from Shanghai the previous day, exchanged views relative to the Sino-Japanese situation at Shanghai with the Government leaders.

The College and Middle School of Soochow University reopened its sessions April 20, after having been interrupted owing to the Japanese invasion. The present plans are to have the students take half the usual number of courses but to have the classes meet double the usual number of times a week.

In the course of a speech at the weekly memorial service at Loyang April 18, President Tai Chi-tao of the Examination Yuan pointed out that while Japan might perhaps achieve a temporary and illusory success, she is doomed to failure if she persists in her present headlong course of unprovoked aggression.

Following a letter received from Mrs. K. S. Inui, a prominent member of the local Japanese community, who advocated a revision of the standard of films being shown in Shanghai, the Shanghai Municipal Council has appointed a committee to take further steps to censor films shown in the Foreign Settlement.

The Shanghai Municipal Council at a recent meeting decided that the Commissioners of Public Health and Public Works should continue to keep the area in Chapei under their supervision but work on the previous large scale would be discontinued as the district was no longer a menace to the health of the Settlement.

The Ministry of Education of the Manchukuo Government has taken over the administration of the North-eastern and Feng Yung Universities at Shenyang (Mukden). The North-eastern University has been re-named the Manchurian University; Feng Yung University is now the Tatung University.

British trade with Manchuria has not been seriously affected by the Sino-Japanese conflict there, according to information received by his Department, stated Major D. J. Colville, the Secretary of the Overseas Trade Department, in reply to a question in the House of Commons April 19. The position is being carefully watched, he added.

Sir Miles Lampson, British Minister to China, and Quo Tai-chi, chief delegate to the Sino-Japanese conference at Shanghai, were the guests of Dr. Lo Wen-kan, Minister of Foreign Affairs, at a dinner at the Diplomatic Hostel Nanking, April 24. An informal discussion concerning the Sino-Japanese issue at Shanghai took place.

Captain Yashu Muto, an expert painter of the traditional Japanese school, sailed for home last week after spending a month here drawing more than a hundred pictures depicting various scenes in the war zone in and around Shanghai. T. Shimizu, another well known artist of Japan, has in the meantime arrived here to make further war pictures.

The Hanyang Arsenal at Wu-Han is to resume operations on May 1, according to an order of the Ministry of War. The re-opening of the Arsenal is in compliance with the petition of a delegation of Arsenal workers who recently arrived in Nanking from Hankow, who pointed out that the workers have been unemployed since the flood disaster in Wu-Han last summer.

Japanese news servies report that Chinese merchants and others who have business establishments in various cities of Japan and who had temporarily returned to China since the outbreak of the Manchurian and Shanghai incidents, are now again going back to Japan. The N. Y. K. office in Shanghai, it is said receives applications for passages to Japan from these Chinese almost daily.

According to a telegram from Changchun, a tentative agreement has been reached between the Manchurian government and Mr. Irobe, a director of the Bank of Korea, in regard to the 20,000,000 yen loan which is being made to the new administration by the Mitsui and Mitsubishi companies. It is reported that the Manchurian government is asking Japanese interests for another loan of 20,000,000 yen.

Elliott Fullerton, Canadian newspaperman, for many months connected with the *North-China Daily News*, died at the Shanghai Isolation Hospital on April 26, his death being due to smallpox. During the World War Mr. Fullerton served with the Canadian forces and for a time was engaged in military intelligence work in the Balkans. Prior to coming to China he was connected with various papers on the Pacific Coast.

Fourteen members of the Japanese Diet are due in Shanghai about May 9 for a 10-day visit. During their stay here, these parliamentarians will call on the headquarters and posts of the Japanese military and naval forces, as well as the leaders of the local Nipponese community. The party was scheduled to leave Tokyo on April 22, and will proceed first to Manchuria via Chosen and visit, among other places, Mukden, Changchun, Harbin, and Dairen. From Dairen they will take a steamer for Shanghai.

Who's Who in China

William Y. Chen, college professor; born at Foochow, Fukien; was graduated from the Anglo-Chinese College, Foochow; served as social secretary in the Foochow Institutional Church and principal of Tsing Daik School; studied at Syracuse University U. S. A. where he obtained his B.A. in 1918 and M.A. in 1919; he was lecturer on Chinese history in Syracuse University; after his return, served as teacher in the Foreign Language College, Foochow; Superintendent of the Foochow Institutional Church; adviser to Governor Sah Chen-ping of Fukien and to the salt commissioner of Fukien province; paster of the Foochow Student Church; lecturer on religious education in Fukien Christian Uviversity and on comparative religion in Hwa Nan Women College, Foochow; later he studied social psychology with William McDougall at Dake University and received his Ph. D. in 1930; lectured on Chinese nationalism in America and Europe; attened Combridge University. England, University of Paris and Berlin University; participated in a series of lectures on China with Sir Frederick White, Commander Stephen King-Hall and the Earl of Gosford for the British Breadcastieg corporation, London in 1929; returned to China in 1931, and is at present professor of psychology in Fukien Christian University; address: Fukien Christian University, Foochow.

陳文淵

William Y. Chen

陳文淵，生于福建省福州縣，曾畢業于福州華英學校，服務于福州教會學會，當交際秘書，及清道小學校校長，繼其學業于美國雪雷寇斯大學校，一九一八年得學士，一九一八年得碩士焉，即任該校中華歷史講師，回國後，充福州國外文學專門學校教員，繼充福州教會學會管理，被聘爲福建省督軍（薩鎭平）顧問，及福建全省監務稽核處顧問，當福州學生教堂牧師，及福建基督教大學校宗教教育科講師，及福州華南婦女學校宗教比較科講師，是後再繼續求學，研究社會心理學，與麥克陶各同學于皇家大學，一九三〇年，得博士學位焉，授中國民情風俗于英國劍橋大學，法國巴黎大學校，及比利時大學，一九二九年，與白爵士，施廷芬司令，及過斯福伯爵，宣講中華問題于英國倫敦無綫電播音台，一九三一年歸國，現任心理學教授于福建基督教大學校。

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In the United States Court for China

DUDLEY RISTINE BRITNEY, Plaintiff.	Cause No. 3445
vs.	Civil No. 1540
FLORENCE WILBUR BRITNEY, Defendant.	ORDER
	Filed at Shanghai, China, April 15, 1932.
	JAMES M. HOWES Clerk

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS plaintiff herein, by his attorney, has this 15th day of April, 1932, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 15th day of April, 1932, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 15th day of April, 1932, Dudley Ristine Britney, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China nor has she been within the jurisdiction of the court during the last year previous to the 15th, day of April, 1932;

NOW THEREFORE it is this 16th day of April, 1932, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review" a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holiday, occurring after the 7th day of May, 1932, the day of the last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court.

MILTON D. PURDY,
Judge.

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New Books of Interest in the Far East

A Long-Distance Drummer

Trailing Trade a Million Miles, by James A. Thomas; The Duke University Press, Durham, North Carolina. 1931, 307 pages.

It is difficult for a man to write his autobiography, or narrate his business and social successes, without flavor of egotism, and in this narrative there do appear perhaps many complacent remarks, but not too much self-glorification, in sharp comparison to the actual achievments of the author.

It is a story of activities in business from his boyhood days, started on the tobacco plantations in the South, to the Orient, from trivial beginnings to highly successful organizations, the narrator of which was instrumental in bringing about their formations. The experiences and description are almost exclusively confined to the author and those persons following the same trail in business in this part of the world would do well to follow closely the same lines. While trade has been revolutionized to a certain extent since the author blazed the trail, yet those very ethics employed by him when coming in contact with the Eastern peoples, whose methods differ but who strive for the same results, are in a large sense responsible for his success.

The story takes us from the South on a tobacco farm up to 1888, when he left America, to carry on his trade in the East. An endless amount of credit is due a pioneer, and this is especially true of one who chooses the Orient for his pioneering.

"Such success as I had was due, I think, to adaptability, conformity to local conditions and commercial etiquette in the countries visited, and the determination that every rock in the road—and there were many—was but a stepping stone to achievement."

The book is of general interest to those, not only engaged in trade from Bombay to San Francisco, but good reading material for all, since the world is focused on the Orient and the outcome of the present day upheaval, where competition is not only keen between individuals but nations, who realize the full value of undiscovered resources in the East. Mr. Thomas heartily advocates that many western methods in business should be applied to the Orient, and noticeably calls attention to religions. He fully believes that China, particularly, should enjoy freedom of religion, and while no country is ably governed without any, it should definitely be left to the Chinese to decide what they want.

Here one could enter into lengthy arguments, for who is to say that the religions of the East are not superior to those in the West?

Such subjects as labor and production; international trade; trade devices and rules of the game; influences and trends; the world's wares; and character sketches—from San Francisco to Singapore, all commingled with "the experiences of a travelling trader, who believed that common sense, honesty, and adaptability were the best basis for business relations, that these principles make for a successsul career and that social relationships among races depend on the same essentials as social relationships among individuals in any community. M.C.P.

A Hodgepodge of What?

Can War Be Abolished?, By Chao Kung, Buddhist Monk (formerly known as I.T. Trebitsch-Lincoln); Kelly and Walsh, Ltd., Shanghai.

This 88-page tome by a Jew who was converted to Christianity, then spent a somewhat unsavory career as an international spy, one time Member of the British Parliament; and is now a "Buddhist Monk" in our midst, does not deserve a review. But a brief note is in order since, with the destruction of the *Commercial Press* by Mr. Trebitsch-Lincoln's Japanese friends, it is probably a fair sample of the culture one may expect to achieve locally in the matter of book covers.

Precisely what the book is about this reviewer has not been able to discover after much prayer and meditation, but beyond doubt it is sufficiently vague and muddled to impress well meaning old ladies who have servants to do their housework and consequently can devote their vacuous leisure to the esoteric.

Parts of the book, however, are quite clear so far as definite statements are concerned. For example, Mr. Trebitsch-Lincoln predicts that within three years "a movement to rejoin the British Commonwealth will take serious form in several parts of the U.S."

"You smile? Wait and see!" he adds. Very well, this reviewer smiles, and will also wait and see.

Another interesting prophecy is that "If Japan will not mend her ways, herrapid decline towards Absolute Evil will be arrested by submerging a large part of Japan in the ocean, carrying millions of beings into the Deep."

This reviewer fully agrees that something is likely to happen to Japan is she continues on her way to "Absolute Evil," but he can think of many things more logical than a marine disappearing act.

The only country offering hope for the abolition of war and such, according to Mr. Trebitsch-Lincoln, is Great Britain. Why is not stated. Nevertheless, he proclaims;

"Will Britain rise to the occasion? Or shall the Human Race on this Earth be tortured, submerged by:

Lies,
Injustice,
Unkindness,

and consequently, by Wars, Suffering for ever and ever?"

Frankly, this reviewer doesn't know.

The key to Mr. Trebitsch-Lincoln's present incarnation, it seems, is his quotation from what he describes as an "epoch-making work," *The Doctrine of the Buddha*, by Dr. Grimm:

"A religious people knows no social questions."

Well, to those who care to starve and suffer in ecstatic silence in contemplation of an alleged Nirvana to come, this reviewer extends his sincerest condolences.

W. B.

Recent Pamphlets Received

The Tanaka Memorial submitted by the late Baron Tanaka to the emperor of Japan in 1927, has been translated into German by the pupils of the first class of the Middle School Department of the Tung-Chi University, Shanghai. Although the memorial has been branded as a forgery by the Japanese Foreign Office, yet the fact remains that the Japanese have followed and still follow the policy outlined in the memorial. The booklet is obtainable at Max Noessler's bookstore, Shanghai, at 50 cents per copy.

The fortieth annual report of the General Electric Company for 1931 has been issued in pamphlet form. It shows that the orders received by the company during the year 1931 were $252 921,496, compared with $341,820,312 in the year 1930. a decrease of 26 per cent. Unfilled orders at the end of the year were $49,308,000, compared with $56,-062,000 at the end of 1930, a decrease of 12 per cent.

League Help to Develop China Suggested at China Association Meeting

A strong plea for co-operation between China and the League of Nations was made by S. F. Meyers, chairman, at the annual meeting of the China Association in London April 20. He declared the League was called on to participate in solving the problem of international peace in the Far East which problem was endangering the world. The League could help China with men and money and would not seek to establish foreign control in China but to show her how to control herself. He meant League tutorship, not tutelage, namely expert teaching of the arts of modern government without a vain attempt at guardianship. China could benefit much from outside assistance while there were no doubt advantages the West could obtain from a rehabilitated China. With internal peace the Chinese share of world trade both as producer and consumer would increase greatly.

An English Girl Weds Moslem Leader

An English girl, Miss Formsby, a recent convert to Islam was marred to Shaukat Ali, a famed Moslem leader, in Bombay April 21. She formerly was married to an Arab Prince. Shaukat Ali, who formerly served the Indian Government for 15 years, was prominent in the Khilafat movement in 1919-20 and also was prominent in the non-cooperation movement. Later in the year, it is announced, he is leaving for America on a lecture tour and the terms of this engagement are reported to be the most lucrative ever offered to an Oriental for a similar engagement.

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"Squeeze" in the Tientsin-Pukow Railway

A sensation was created in Chinese railway circles April 22 when 19 staff members of the Tientsin-Pukow Railway administration were arrested on charges of corruption. The 19 culprits were under the Chief Traffic Inspector in the northern section of the Line. By secretly transporting cereals on trains in excess of the specified maximum loads, they have been pocketing the freight charges on the overloads.

It is understood that the arrested mem have been escorted to the head office at Pukow for examination. Drastic measures are being taken by the Railway Administration to stamp out such malpractices.

Railway Officer Proceeds to London to Make Purchases

Cheng Hua, Director of the Engineering Department of the Ministry of Railways, departed from Shanghai during the week for London where he will conclude negotiations for contracts in connection with the supply of pontoon bridges for the railway ferry between Hsiakwan and Pukow. A contract for the ferry-boat was recently signed by the London Purchasing Commission. The construction work on the ferry is reported to be progressing favorably and the pontoon supports at Hsiakwan and similar foundation work at Pukow have been completed.

Chinese Who Prepared Thesis on Communism Falls Foul of U. S. Authorities

Following protests from University students, the U. S. immigration authorities have held up the deportation of Ming Hua-wei, a Chinese student at the University of California who fell under governmental displeasure because of his Master's thesis on "The Communist Party in China." The University students have been collecting funds to send Ming to Germany or some other country where he would be assured of safety, in view of his belief that he would be executed if he returned to China.

Huge Sale of Japanese Silk---But at a Loss

What is described as the largest silk transaction in the history of the Japanese-American silk trade was concluded last week between the Japanese Government and Paoline Gerli, President of the American Silk Association. According to a *Rengo* telegram from Tokyo April 25 Japan is selling 107,830 sales of silk at a loss of some hundred millions of yen. Reference is made in an editorial in this week's issue of the *Review* to this transaction.

Chinese Boxer Knocks Out Japanese in Portland, Oregon

Ah Wing Lee, a Chinese of Portland, Oregon, knocked out Sued Hirakawa, claimant of the lightweight championship of Japan, in the third round in a ring bout in that city April 19. The knockout blow was a left to the body. In the second round, Hirakawa had taken a count of eight after getting a left hook on the chin.

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America's Trade with the Far East

United States total trade with the Far East during 1931 amounted to G. $993,553,000 as compared with G. $1,402,027,000 for 1930, according to a report issued by Janet H. Nunn, Far Eastern Section, Division of Regional Information, Department of Commerce. The loss of trade was due largely to the effects of prevailing economic conditions at home and abroad combined with disturbed administrative conditions in China and India and lower commodity prices. In both exports and imports, results of this price decline were frequently sufficient to change anticipated dollar gains, accruing from an increased volume of business, into actual losses.

Exports from the United States to the Far East for 1931 reached a total of G. $420,851,000, compared with G. $540,851,000 for 1930. Imports into the United States from the Far East during 1931 totalled G. $572,702,000 as compared with G. $861,892,000 for 1930.

Preliminary returns indicate that the only gain in exports during 1931 was 1.3 percent in shipments to the whole of China. Remaining important countries in the Far Eastern area bought less than the previous year in ratios ranging from 5.5 percent for Japan to 64.3 percent in the case of Australia. Heavy sales of raw cotton, leaf tobacco, cotton goods, and wheat failed however, to counterbalance considerable shrinkage in refined mineral oils, iron and steel, automotive products and machinery.

Export to China Increases

Exports to the whole of China during 1931 totalled G. $114,444,000 or G. $1,447,000 more than for the previous year. The latter part of 1931, China bought greater quantities of wheat, flour and other food products for relieving the sufferers from the floods, and expended larger sums upon raw cotton and lumber. Iron and steel products held their own and there was an increased demand for lumber and flue-cured tobacco, but markets for cigarettes, petroleum products and automobiles were weaker. Japan almost doubled her purchases of raw cotton, as compared with the previous year, and bought more gasoline, crude oil, Douglas fir, hemlock, leaf tobacco and automobiles. Increases in these commodities, however, failed to overcome sharp declines in iron and steel, machinery and wheat, which tended to reduce our total shipments to Japanese markets from G. $164,489,000 to G.$155,668,000.

During 1931, India bought more iron and steel, raw cotton, leaf tobacco and rubber tires than for 1930, but a general slump in her purchases of automotive products, machinery and other American staples caused the total exports from the United States to that country to recede from G. $45,195,000 to G. $36,698,000. Although sales of American products to the Philippines dropped from G. $64,935,000 to G. $48,883,000 during 1931, greater activity was evident in markets for gas and fuel oil, cotton cloth, iron and steel and flour. These Islands now rank third among America's Far Eastern customers and outrank other foreign markets for American cigarettes. During 1931 they also bought more electrical equipment than any other country in the Orient.

Australia Trade Drops

Overstocked markets and dull business conditions were largely responsible for the reduction of our exports to Australia from G. $75,990,000 in 1930 to G. $27,168,000 in 1931. Likewise New Zealand bought G. $13,479,000 worth of American goods in 1931 as against G. $29,827,000 for the previous year. Trade with the countries of Southeastern Asia showed how low prices for native products had compelled the masses to confine their purchases of imported goods more generally to actual necessities. There was a somewhat interesting trade, however, in American flashlights which the natives in those countries have discovered to be even more useful in the jungles than about boats and huts. Total exports to these countries often considered of minor commercial importance—including Netherland East Indies, Malaya, Ceylon, Siam, Indo-China and the South Sea Islands—amounted to G. $24,511,000, or 48 percent below the total of G. $46,621,000 for 1930.

Far East Bought More Cotton

During 1931, the entire Far East bought G. $2,760,000 bales of raw cotton, more than double the amount purchased in 1930. Of this total Japan bought 63 percent, China 32 percent, and India 5 percent. In addition the Orient absorbed 207,255,000 pounds of leaf tobacco, a gain of 17 percent; 1,347,546,000 cigarettes, about one half the number taken in 1930. Practically 30 percent of the tobacco was consigned to Chinese ports, but only 10 percent of the cigarettes. Shipments of flour reached 9,360,000 barrels, a shrinkage of 7 percent, while wheat advanced by 77 percent to 14,036,000 bushels. Softwood lumber from the Pacific Coast slumped from 1,988,000,000 feet to 1,794,000,000. China's construction program required more softwood lumber, and shipments to Japan increased by 4 percent, while the greater part of Australia's purchases of Douglas fir was turned into Canadian trade channels. Additional exports included G. $18,700,000 worth of automotive products, G. $23,000,000 of machinery, and G. $6,700,000 of rubber manufacturers—in each instance a reduction of more than 100 percent. Sales of iron and steel dropped from G.$42,497,000 to G.$26,262,000 and electrical equipment from G.$20,494,000 to G.$11,670,000.

Imports into the United States from the Far East for 1931 amounted to G.$572,702,000 as compared with G. $861,892,000 for the previous year. This loss of more than 33 percent was due to a weakened demand for Oriental raw materials among American manufacturers and to the sharp reduction in commodity prices. Indo-China, a country of little commercial importance to the United States, was the only Far Eastern country which supplied us with more native products than in 1930. Each of the remaining countries sold us smaller proportions in ratios ranging from 6.5 percent for Japan to 62 percent for New Zealand. The heaviest loss in actual value was experienced, however, by the Japanese traders. Notwithstanding the fact that imports of raw silk from Japan increased from 60,000,000 pounds to 70,000,000, United States total purchases of Japanese products for 1931 amounted to G.$205,599,000, as compared with G.$279,040,000 for 1930.

China Imports Slump

Imports from China, which, with the exception of tea, sesamum seed and carpet wool, showed a general steady reduction in both quantity and value, reached the total of G.$66,761,000 or 34 percent less than $101,464,000 for 1930. Purchases from India fell off by 44 percent from $104,148,000 to $58,521,000 although we bought more raw jute and burlaps. In 1931, the United States bought 804,152,000 pounds of crude rubber against 763,410,000 pounds in 1930, but total imports from that country declined from G.$144,000,000. Increases in purchases of coconut oil and sugar from the Philippines failed to outbalance losses in other commodities and total imports from the Islands were reduced from G.$109,390,000 to G.$87,133,000. The Netherland East Indies supplied the United States with G.$57,800,000. worth of rubber, tin, tapioca, copra and other native staples in 1930, but only G.$34,000,000 worth in 1931. The general weakness of American manufacturing industries using wool, hides and skins, kauri gum and tin, reduced imports from Australia to G.$12,504,000 or 28 percent below the total of G.$17,451,000 for 1931, while New Zealand's share in imports dropped from G.$11,621,000 to G.$4,443,000.

As a result of these gains and losses during 1930, the Far Eastern countries afforded an outlet for 17.4 percent of United States total exports, compared with 14 percent for 1930. The ratios for imports during the two years surveyed were 27 and 29 percent, respectively.

New Chinese Army System to Aim at Uniformity

Discussions concerning the revision of the present system of organization of the Chinese National Army were held at a joint meeting of the 1st, 2nd and 3rd Department of the Administrative Office of the Military Affairs Commission in Nanking April 22. Generals Ho Ying-chin, Chu Pei-te and Li Chi-shen, the three Departmental Heads, were among those present. According to the present military system, the "Division" is the unit, but the classification of the Divisions into grades A,B,C,D, and the complicated system of organization have rendered it impossible to secure uniformity among the national forces. It is therefore proposed to enforce a new system in accordance with that employed in other countries. The "Division" will remain the unit but there will be no grades. One Division is to be composed of two brigades, each brigade to have two regiments. The number of soldiers of each company will be increased from 81 to 135. Upon reorganization, each new Division will have a total strength of 10,000 officers and soldiers.

Legislative Yuan Passes Conscription Law

The Legislative Yuan, at its meeting at Nanking April 23, adopted a conscription law. The conscription law requires actual service in the Army of one year, in the navy for two years, and in the Army Reserve for five years, and the Naval Reserve for seven years.

Contemplated "Stabilization" of U. S. Dollar

A Bill directing the Federal Reserve Board to stabilize the dollar on a basis of the 1926 value was introduced into the U. S. Senate April 19. This is regarded as a preliminary to possible direct inflation and the expansion of credit by the Federal Reserve Bank. It is proposed to stabilze the dollar by having the Federal Reserve Board use every means possible to increase general commodity prices to the 1926 level and to maintain them there; also by having the Board raise and lower the re-discount rate and increase, at the lower amount, the Government securities it holds to take up fluctuations. The Federal Reserve Board is against the Bill. Commodity price-raising has already been undertaken by the Federal Reserve Board, whose objection is apparently based on the mandatory feature of the proposed legislation.

Royal Dutch Slump May Herald Next International Disaster

Royal Dutch oil shares fell 45 shillings in London April 22, representing a depreciation of about $40,000,000. Sir Henri Deterding explained the heavy selling orders as a gigantic effort of Soviet Russia to capture the world markets However advices from the Continent indicate that the depreciation in the Royal Dutch shares heralds another international disaster.

Financial editors in Germany discount Sir Henri Deterding's explanation that the slump was due to a gigantic effort on the part of Soviet Russia to smash the Royal Dutch and Shell group.

"Such a patently false explanation can only serve to deepen the impression that there is something wrong somewhere," one prominent Berlin editor pointed out, insisting that if everything were well with the Roya! Dutch, no "Paris Syndicate," no matter what backing it had from the Soviets or from elsewhere, could produce such a dent in the value of the Royal Dutch.

In this connection, the newspaper recalls the fact that Sir Henri Deterding is alleged to have entered upon heavy speculative silver engagements, and it is suggested that the steady decline of the white metal during the last six weeks might not be unconnected with the drop in the Royal Dutch.

"Philippinization" of the Philippines

A correspondent writes from Manila that a program of general "Philippinization" is taking place. American government officials are dropping out one by one. The chief of the Philippine Constabulary, Gen. Charles E. Nathorst, has resigned. It is rumored that many more American officers of the P. C. are resigning. In general the businese outlook is not encouraging. The Philippine Government has a deficit of Pesos 17,000,000 which it endeavors to cover by slashing salaries and inventing new taxes. In addition to this, the Washington administration threatens to put the Philippine Scouts on Philippine payroll—an addition of Pesos 10,000,000—which might be an interesting political move just before the independence question is definitely decided upon, but really not fair to the Filipinos, who have never asked for the Scoust.

Latest New York Stock Exchange Quotations

Market Steady — Business Done 800,000 Shares — April 27, 1932

1931-1932 High	1931-1932 Low	Div.$ per Sh.	STOCKS	Mon. Apr.25	Tues. Apr. 26
23½	3	—	Adams Express	3	3
182¾	58½	•6.00	Allied Chemical & Dye	55¾	56
42¾	7½	.50	Allis Chalmers	7½	7⅛
129¾	42¼	•4.00	American Can	42¼	42⅝
51¾	2⅜	—	Amer. & Foreign Power	4	4¼
31½	1¼	—	Amer. & For. Power W.	2⅜	2½
58½	7⅞	—	American Smelting	9½	9¾
201¾	98¾	9.00	American Tel. & Tel.	99¼	100
132¾	64	•5.00	American Tobacco "B"	67	68¾
80¾	19	3.00	American Waterworks	20	20¼
43¼	4⅝	—	Anaconda Copper	5⅛	5⅛
295½	37¼	•4.00	Auburn Automobiles	39⅝	41
87⅞	8¼	—	Baltimore & Ohio	9½	9⅞
70⅜	12⅞	—	Bethlehem Steel	12⅞	13¼
76½	27	•3.00	Borden Company	27	28
30¾	6½	1.00	Borg Warner	6½	6½
45¾	10⅜	1.25	Canadian Pacific Railway	12⅛	12⅛
131½	23	—	Case J. I.	23⅛	23⅛
102	31¼	3.00	Chase Bank	31½	31½
54⅛	6½	3.00	Chesapeake Corp.	10½	10½
25¾	8⅝	1.00	Chrysler	9⅝	9⅝
20¾	3¾	.30	Cities Service, Co.	4⅜	4¼
45⅝	6⅞	1.50	Columbia Gas & Electric	8⅛	8¼
12	2¼	.30	Common wealth &Southern	2½	2¾
			" " warr.		
2¾	¼	—	Consolidated Gas. of N.Y.	5/16	⅜
109⅝	50	4.00	Continental Oil	50⅝	52¾
12	5	—	Corn Products	5	5
86⅝	29⅞	•3.00	Curtiss Wright Co.	32	33¼
5⅞	1	—	Drug Incorporated	1	1
78¾	34¾	4.00	Du Pont de Nemours	39	39
107	28⅞	4.00	Eastman Kodak	29½	30
185¾	52½	5.00	Electric Bond & Share	54⅝	55⅛
61	10⅝	6% S	Electric Power & Light	14	13⅞
60¾	6	1.00	Fox Film "A"	7½	7½
38⅜	2⅛	—	General Electric	2¼	Unq.
54¾	13⅞	1.00	General Foods	14½	15
56	28½	3.00	General Motors	30⅝	31⅝
48	11⅛	2.00	General Railway Signal	11⅝	11⅛
84⅛	13½	3.00	Gillette	Unq.	15¼
38¾	9¼	1.00	Gold Dust	15¼	15¾
42½	11¾	1.60	Goodrich Rubber	12⅞	13
20⅞	3	—	Goodyear Tire & Rubber	3¼	3¼
52¾	9⅛	1.00	International Cement	11⅝	10½
62½	7½	2.00	International Combu. Eng.	Unq.	Unq.
4	½	—	International Harvester	⅝	Unq.
60½	17⅝	1.80	International Nickel	19¼	19⅜
20⅛	5¾	—	International Tel. & Tel.	5⅞	5¾
38¾	4¾	—	Johns Manville	6	6⅛
80¾	10⅝	—		12½	13¼
31½	5½	—	Kennecott	7½	7⅝
27¾	¼	1.61	Kreuger & Toll	¼	¼
91¾	40	•4.00	Liggett & Myers, "B"	50¼	50⅛
63¼	21	•3.00	Loew's: Inc.	23¾	23
21⅞	10	1.20	Lorillard P. Co. (com.)	14⅜	14½
19	1½	—	Ludlum Steel	Unq.	Unq.
29¼	6⅝	—	Montgomery Ward	7⅜	7½
108½	34½	3.00	Nash Motors	36¾	37
14¾	2¾	—	National City Bk. bid price	Unq.	3⅞
132¼	19	—	Nevada Consolidated Co.	19⅝	20
90¼	23	10%S	North American Aviation	24	24½
54⅞	25½	2.00	Pacific Gas & Electric	26¼	26¼
11⅞	2¼	—	Packard Motors	2⅝	2⅝
50¼	4	—	Paramount—Publix. Corp.	4⅛	4
64	12⅛	2.00	Pennsylvania Railroad	12⅞	13⅜
8½	1¾	.40	Pennroad Corporation	1¾	1¾
16⅝	3⅞	—	Phillips Petroleum	4⅜	4⅜
96	39¾	3.40	Public Service of N.Jersey	43⅞	44½
27½	5	—	Radio Corporation	5⅛	4⅞
24½	2¾	—	Radio-Keith Orpheum	Unq.	3½
54½	32	3:00	Reynolds Tobacco "B"	32⅛	32½
63¼	20⅛	2.50	Sears Roebuck	20⅝	21¼
10¼	2½	—	Shell Union	2⅝	2⅝
23⅜	4¾	—	Simmons Company	Unq.	Unq.
26½	8⅛	1.00	Socony-Vacuum Corp.	8⅛	8½
54½	23¼	2.00	SouthernCaliforniaEdison.	24½	24⅞
88¾	14¾	3.50	Standard Gas & Electric	16½	17¼
54½	20¼	•1.00	Standard Oil of N. Jersey	21¼	22⅜
26¼	9⅞	1.00	Texas Corporation	10¾	11
55¾	16¼	2.00	Texas Gulf Sulphur	17⅞	18¼
18	2	—	Trans America	3¼	3¼
72	20½	2.00	Union Carbide & Carbon	20⅞	20¾
205⅛	49⅜	10.00	Union Pacific Railway	52½	54
38⅞	9¾	—	United Aircraft & Trans.	11½	12
31¼	5¼	.40	United Corporation	6⅝	6⅝
37½	15	1.20	United Gas Improvement	16⅞	17
20⅜	3	—	U.S. Rubber	3½	3⅝
152¾	28½	2.00	U.S. Steel	28½	28⅞
76¾	8	—	Vanadium	8¾	9
20⅜	1⅜	—	Westinghouse E. & M.	1½	1½
107¾	19⅞	1.00	Woolworth	22½	22¾
72⅝	35	2.40		36¾	37¾
*Plus extras			Call Money	2½%	2½%

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The National City Co. Gold Bond Quotations Received From Head Office

April 21, 1932,

SECURITY	RATE & DATE DUE	Price	Approx Yield %
The National City Bank of New York	Stock	37¼	—
Argentine Government	6 % May 1, 1960	50	12.44
U. S. of Brazil	6½% Oct. 15, 1957	18⅛	—
Canadian National Railway Co...	5 % Oct. 1, 1969	84¼	6.03
Chile Government.. ..	6 % Sep. 1, 1961	8¼	—
Republic of Finland ..	6½% Sep. 1, 1956	50¼	—
Finnish Gtd. Municipalities "A"	6½% Oct. 1, 1954	40⅛	—
German Central Bank for Agriculture	6 % Apr. 15, 1938	29¼	—
German Central Bank for Agriculture	6 % Oct. 15, 1960	28½	—
German General Electric (A.E.G.)	6 % May 1, 1948	30	—
Ilseder Steel Corp. ..	6 % Aug. 1, 1948	25½	—
Kingdom of Italy	7 % Dec. 1, 1951	90⅛	7.96
Lautaro Nitrate Co., Ltd...	6 % July 1, 1954	6¼	—
City of Milan	6½% Apr. 1, 1952	66	10.64
State of Minas Geraes Series "A"	6½% Sep. 1, 1959	10	—
Republic of Peru	6 % Oct. 1, 1961	4⅜	—
Rhine Westphalia Electric Power Corp. ..	6 % Apr. 1, 1955	25⅞	—
State of Sao Paulo (Brazil)	7 % Oct. 1, 1940	60	—
Saxon Public Works ..	6½% May 1, 1951	21⅛	—
American I.G. Chemical Corporation..	5½% May 1, 1949	62	10.27
Chicago, Milwaukee, St. Paul & Pacific ..	5 % Jan. 1, 2000	6⅛	—
Chile Copper Co.	5 % Jan. 1, 1947	39	—
Goodyear Tire & Rubber	5 % May 1, 1957	70½	7.83
International Match Corporation..	5 % Jan. 15, 1941	3	—
The Mead Corp. w.w. ..	6 % May 1, 1945	45	—
National Steel Corp. ..	5 % Apr. 1, 1956	70¼	7.74
Japanese Government..	6½% Feb. 1, 1954	69⅝	9.93
Japanese Government..	5½% May 1, 1965	59½	9.56

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 % 1925	59	—
Chinese Govt. Re-org. (£) Loan Stamped ..	5 % 1913/60	58	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913/60	56	—
Chinese Government (Crisp Loan)	5 % 1912	34	—
Shanghai-NankingRailway..	5 % 1904/08	33½	—
Shanghai - Hangchow-Ningpo Railway ..	5 % 1908/58	62½	—
Hukuang Railway.. ..	5 % 1911/1951	19	—
Tientsin-PukowRailway	5 % 1908/09	12	—

NOTE: The above quotations are received by cable and whilst believed to be correct are not guaranteed.

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Exchange Circular for the week ending Wednesday, 20th April, 1932.

Silver:—On the 14th inst. was 16⅛d. and U. S. $ 28 and closes today at 16 5/16d. and U.S. $ 28¼. The New York Cross rate has varied between 378⅜ and 378½.

Exchange:—On the 14th inst. Silver 16⅛ and ⅛ forward, 1/16 down: New York ¼ down to 28. America and China were small sellers, America a small seller at 1/16 under quoted rates. Official rate 1/7⅛d, and U.S. $ 30⅛, unchanged.

Market opened quietly steady at 1/7 1/16d, and U.S. $ 31⅛, at one period of the morning these rates became a little doubtful, but were soon on the market again. The afternoon rates opened the same but steadied a little to close at 1/16 higher, steady at the close 1/7⅛d, and U.S. $ 31 5/16. Gold Bars 719.50/727.

On the 15th inst. Silver 16⅛, 5/16, New York 27⅞. Official rate was raised to 1/7⅛d, and U.S. $ 30⅞. Opened at 1/7 1/16d, U.S. $ 31⅛, Yen 106½, business done at 1/7⅛d, soon afterwards, the remainder of the morning 1/7 3/16d, was more general, with an occasional seller at 1/16 better. The afternoon was extremely quiet, sellers at 1/7⅛d, and U.S. $ 31 3/16 at these rates the market closed steady. Gold Bars 715.80 lowest, 721.20 highest to close 718.50.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver Tls. 68,167,000 an increase of Tls. 825,000
Chinese and Mexican Dollars $ 217,750,000 an increase of $ 4,570,000
Estimated value Tls. 224,947,000 as against Tls. 202,327,000 held at this time last year

†	Average rates for March	Thursday Apr. 14	Friday Apr. 15	Saturday Apr. 16	Monday Apr. 18	Tuesday Apr. 19	Wed. Apr. 20
Bank's selling rates		opening closing	opening closing	opening closing	opening closing	opening closing	opening closing
T/Ton London	1/9.641	1/7⅛	1/7⅛	1/7⅛	1/7⅛	1/7⅛	1/7⅛
D/Dfts ..	—	1/7⅛	1/7⅛	1/7⅛	1/7⅛	1/7⅛	1/7⅛
4 m/s ..	—	1/7 9/16	1/7 11/16	1/7 12/16	1/7 14/16	1/7 13/16	1/7 13/16
T/T on India	119.094	107¾	108½	109½	110	108¾	108¾
T/T on France	828.333	778	783	785	791	785	780
T/T on N. Y.	32.510	30⅛	30⅛	31	31⅛	30⅛	30
T/TonDemand		30⅞	30⅛	31	31⅛	30⅛	30⅞
T/T on Hamburg(R.M.)		129¼	130	130¼	131½	130¼	129½
T/T onH'kong	75.292	75⅛ nom	76 nom	75⅞ nom	75⅛ nom	76 nom	76¼ nom
T/T on Japan	99.125	108 nom	107½ nom	107 nom	16 nom	107⅛nom	107⅛nom
T/Ton Batavia	80.927	75⅝	76	76¼	77	16¼	76
T/T on Straits	128.885	143	141	141	140	142	142
Bk's buying rates							
4 m/s B/L. Cred.& D/A	2/10.833						
4 m/sB/LD/P	876.625						
6m/s ,, B/L Cred & D/A	—						
4 m/s B/F Cred D/A or D/P							
4m/s N.Y. Lc.	34.354						
4m/s ,, Docs.	—						

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Apr. 14	Apr. 15	Apr. 16	Apr. 18	Apr. 19	Apr. 20
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence						
**New York Price of Bar Silver per oz. (Pure)	16⅜	16½	16 13/32	17	16 11/32	16 5/16
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping 978 touch)	G.$.28 Tls.	G.$.27⅞ Tls.	G.$.28.¼ Tls.	G.$.28½ Tls.	G.$.28¼ Tls.	G.$.28¼ Tls.
Shanghai Silver Bars (weight Tls.100 (Canton) 999 touch) Nominal	723.00 Tls.	718. Tls.	707.00 Tls.	719.00 Tls.	715.70 Tls.	711.00 Tls.
Shanghai Mexican Dollars per $100	112.50 Tls.	112.50 Tls.	112.50 Tls.	112.50 Tls.	112.00 Tls.	112.00 Tls.
Native Bank Rate of Interest (Call money)	70.2½ 2%	70.3¾ 2%	70.3 2%	70.3 1%	70.2½ 1%	70.3 1%
*Closing Price in London for Previous day						
**Closing Price in N. Y. for Previous day						

Bank of England rate of discount	3½%	London on Paris	T/T 95.44
Bank of France rate of discount	2½%	New York on London	T/T 376⅛
London open Market rate of Dis. 3m/s.	2⅝%	Bombay on London	T/T 1/6
,, ,, 4m/s.	2⅝%	Hongkong on London	T/T 1/2⅛
,, ,, 6m/s.	2⅝%	Kobe on London	T/T 1/9

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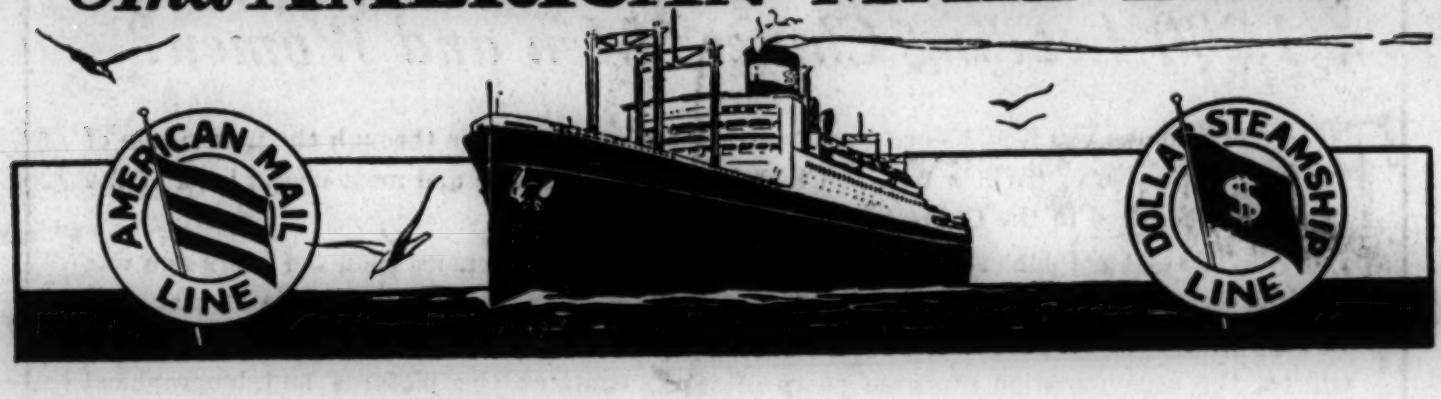

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